FBIS DAILY REPORT

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CONTADORA MINISTERS AT UN, VIEW AID VOTE

FL262334 Mexico City NOTIMEX in Spanish 2145 GMT 26 Jun 86

[Text] United Nations, NY, 26 Jun (NOTIMEX) -- Mexican Foreign Secretary Bernardo Sepulveda Amor has said that the U.S. House of Representatives' decision to approve $100 million in aid to the Nicaraguan contras is a historic error that could damage inter-American relations. Speaking on behalf of the Contadora Group, the Mexican foreign secretary added that the principle of nonintervention in the domestic affairs of any country is not only a legal question, but also a political one.

The four Contadora Group foreign ministers from Mexico, Panama, Colombia, and Venezuela met this morning with UN Secretary General Javier Perez de Cuellar to present him with a report on their most recent achievements. During a joint press conference, Venezuelan Foreign Minister Simon Alberto Consalvi said the Contadora documents indicate that one of the fundamental conditions for peace in Central America is to not aid irregular forces operating in the region. We have opposed and criticized any type of aid to irregular forces, and we maintain that position, he said. We believe that decision is not favorable for the negotiating process we have developed and passed on to the Support Group, Consalvi added.

When asked who he thought the principal enemy of the Contadora process is, Colombian Foreign Minister Augusto Ramirez Ocampo said it is dfficult to find the villain, and in diplomatic terms it is not for us to say. Ramirez Ocampo said war is conspiring against the Contadora efforts since it feeds on the East-West confrontation, which we with to remove from the peace process. That is why we insist on a the need for a negotiated political process, he continued, which would require the willingness of all the parties involved.

The Colombian foreign minister also said the Contadora Group's conciliation efforts do not and cannot represent any party's point of view, which is why signing the peace act is not enough. The appropriate atmosphere for peace is also necessary, he added.

According to the foreign ministers, Perez de Cuellar told them the international community wants the Contadora Group to continue its efforts for peace in Central America. If they consider it necessary to modify the document, we have not objection, he said, and if they think it is necessary to create a better document, it would be welcome.

According to the Contadora ministers, the next step is to go beyond the negotiating phase in the operational areas, create the verification and control commission, and formulate the statute for verification. Jorge Abadia Arias [Panamanian foreign minister] said that incomprehension is the principal enemy of Contadora.

Along the same line, the Mexican foreign secretary recalled that Contadora has the support of the majority of Latin America, and the main obstacle is that many times the instruments of war are used to achieve peace . That is a contradiction, Sepulveda Amor added.

Central America, he concluded, should not be converted into an area for East-West confrontation.

V. PRESIDENTS NOTE C.A. PARLIAMENT PREPARATIONS

PA270004 Guatemala City Cadena de Emisoras Unidas in Spanish 2127 GMT 26 Jun 86

[Text] The meeting of Central American vice presidents has concluded. It was convoked in compliance with the third point of the Esquipulas declaration, signed on 25 May, by which it was decided to create the Central American parliament preparatory commission. That is why they met here on 25 and 26 June. The meeting ended yesterday [as heard]. The compositon of the Central American parliament preparatory commission was agreed upon. It will include 25 members and will be installed on 14 and 15 July 1986.

Guatemalan Vice President Roberto Carpio Nicolle met with the press after signing the joint declaration of the Central American vice presidents and read the joint declaration.

[Begin recording] [Carpio] On behalf of the Central American vice presidents, whose names follow -- Dr Jorge Manuel Dengo of Costa Rica; Dr Alfredo Fortin Hinestrosa, presidential designate of Honduras; Dr Sergio Ramirez Mercado, vice president of Nicaragua; Dr Rodolfo Castillo Claramount, vice president and foreign minister of the Republic of El Salvador; and Vice President Roberto Carpio Nicolle, of Guatemala.

Forum of Central American Vice Presidents
Guatemala City, 26 June 1986
Joint Declaration of the Central American Vice Presidents

The Central American vice presidents who met in Guatemala City on 25 and 26 June 1986 declare:

The third point in the Esquipulas declaration, signed on 25 May 1986 by the five Central American presidents, agreed to create the Central American parliament preparatory commission, which will be responsible for the drafting of the charter of the Central American parliament. The area vice presidents thus met in Guatemala City on 25 and 26 June in compliance with that mandate.

2. [number as heard] The Central American parliament preparatory commission will include 25 members, as follows:

A) Vice presidents of the Central American states;

B) Foreign Ministers or deputy ministers of the five Central American states;

C) Three representatives of the legislative bodies of each of the Central American states.

3. The following timetable of activities of the Central American parliament preparatory commission was approved:

A) Meeting in Guatemala City on 14 and 15 July 1986 for the formal ceremony to install the Central American parliament preparatory commission, examination of the principles and characteristics of the Central American parliament, analysis of the first document on the Central American Parliament, which was drafted by Guatemala, and discussion in work groups.

It was agreed that a minimum of three meetings, or as many as are necessary will be held in Guatemala City with a view to submit formally to the Central American governments the draft charter of the Central American parliament no later than 15 October 1986. At each meeting the date of the following meeting will be established.

The bylaws that will govern the work of the Central American parliament preparatory commission were approved.

4. They desire to participate fully and actively in the efforts to find an overall, effective solution to the Central American countries in the last trimester of 1987 to choose the representatives to the Central American parliament.

The Central American vice presidents hereby express their deep appreciation to the Guatemalan people and Government for the warm hospitality and attention they received during their stay in Guatemala. This communique was issued in Guatemala City on 26 June 1986.

Members of the press, the Central American parliament is rolling. We are open to your questions. I ask you to limt your questions, as much as possible, to today's meeting.

[Perez] Silveria Perez [words indistinct] We agree that the most important factors for peace in Central America were discussed at this meeting. However, we are also concerned about Nicaragua's reaction to the approval of aid for the contras. Will this not obstruct [words indistinct] a bit?

[Ramirez] No. We came here to participate in this meeting of Central American vice presidents with the desire to make progress with regard to the creation of the Central American parliament. This progress is reflected in the declaration of Central American vice presidents that was just read. Clearly, the action taken by the U.S. Congress represents (?a threat) to peace and Central America [words indistinct]. Nevertheless, I am prepared to discuss this matter in detail during a press conference that I will hold this afternoon at 1600, when I will discuss this topic with you at length. [passage indistinct]

[Reporter] Was there any mention of the determination [words indistinct]?

[Carpio] It is only natural in every discussion, forum, or meeting. There are always some who oppose. The important thing is that we all agree. [Words indistinct] where it is supposed that all decisions have been made jointly. I think this is a good example, because today, after the Esquipulas meeting, we can assert that the vice presidents have recommended [words indistinct] the existence of an elected Central American parliament next year. So we agreed despite our disagreements.

[Unidentified vice president] I would like to reiterate what Dr Carpio has said, that this meeting has been marked by a spirit of much agreement, peace, and concord. Many agreements have been reached regarding the decisions we have made. [words indistinct] the document we have all signed.

We feel that the most important thing of all that Roberto has just said regarding the decision that we have made and that has been expressed in a demonstration of willingness through the document is that, during the last trimester of 1987 at the latest, we will hold direct elections [words indistinct] throughout Central America to elect the representatives to the Central American parliament. This is [words indistinct] that occurs here in a real way [words indistinct]. This indicates the importance and expresses the determination and willingness of Central American countries and peoples to form this parliament. Why? Because this parliament is an instrument and an initiative that fills this gap that currently exists in Central America. This is a very dangerous gap, because it facilitates venturesome policies that do not lead precisely to peace. The trouble is that the ways to war are too easy, while those leading to peace are very difficult. The path to peace is very difficult. The trouble is that far too few offer willingness and what is necessary for peace. We have been contributing our own strength for peace at this very moment, by expressing our willingness to create the Central American parliament. May I repeat, this initiative helps fill this gap.

[Reporter] Will the three deputies who represent each country be elected by the people or appointed [words indistinct] of each country?

[Unidentified vice president] We refer to the representatives [words indistinct]. The representatives to the Central American parliament will be elected jus as the Salvadoran president is [words indistinct].

[Question indistinct]

[Answer indistinct]

[Reporter] Some have been mentioning pluralism. Would you say that Nicaragua is a pluralist government?

[Ramirez] I feel it is up to the Nicaraguans to make this classification, first of all. We have proudly stated that Nicaragua has a pluralist government. Seven political parties are represented in the National Assembly, which represents a broad ideological spectrum: the Conservative Party, the Liberal Party, the Social Christian Party, the Communist Party, the Socialist Party, etc. [Words indistinct] that must hold elections for a Central American parliament. Such elections will be provided for in the country's constitution, the discusion of which will soon be concluded. This constitution will have been approved by January 1987. [Words indistinct] will be applied in the election for a Central American parliament.

[Reporter] Mr Salvadoran vice president, you have talked about a vacuum in the parliament that would take place by the end of 1987 or the beginning of 1988. What will happen from now until then, considering that [words indistinct] until this time in Central America? Specifically, what is your government's determination regarding the Contadora act?

[Castillo] Yes, precisely in order to fill this vacuum that you have accurately pointed out, this has not been discussed properly. But we have also talked today about precisely this topic, namely, what would happen from now until the elections of the representatives, if we succeed in having these elections held during the last trimester of 1987. Those in the know say that the parliament would be formed by the middle of 1988.

So, we have felt that this forum that will be formed by 25 Central American representatives, as it has been expressed in the document, could be a sort of consultative organization that would meet, not only to form the parliament itself, but also to discuss some of the fundamental problems in Central America, both political and economic, particularly the remodeling of the Central American integration system, the steps that can be taken in the way of the reactivation of the model itself, what can be recovered from the model of the Central American region and the common market, etc, and, finally, the reactivation of our trade and the resolution of our problems in this field, such as the debts between Central American nations, the foreign debt of each country in Central America, the possible renegotiation of this foreign debt of the region, and international cooperation between Central America and Europe and other countries and regions of the world. All of these are topics that can be discussed, such as the social aspect, the situation of the refugees and displaced, a situation that has occurred in Central America, problems of social isolation, generally speaking, which is a reality in Central America. There are many topics that can be touched upon and will be discussed by this consultative organization.

[Reporter] The political aspects?

[Castillo] Obviously. Obviously, the political aspects, yes, they will be discussed.

[Reporter] [Words indistinct] the parliament be the institutionalized way as such?

[Castillo] No, let's not put it like that, because that may cause some kind of confusion. No, [words indistinct] simply, it would be a continuation of this group. Once the parliament and the treaty have been established, and the treaty has been approved, in sum, the group will continue to hold meetings until the parliament is actually established [words indistinct] in the terms we have talked, and we can continue to discover and gain in this aspect.

Moreover, you should not forget that it was in Esquipulas where the forum of vice presidents was established, and of course the presidents' summit. Obviously, all these [words indistinct] will have to be taken there for discussion. The goal is to try to fill the vacuum. Hence, the big instrument to fill the vacuum is the Contadora Document, and from that point of view and regarding the subject in particular, you asked your question about the Salvadoran stance.

We believe that the Contadora Document should be modified in the points in which the criteria have not been totally defined. For example Chapter 3 regarding [words indistinct] military, armaments, etc. Furthermore, the part on the compliance, the follow-up and control of all these aspects, has not been sufficiently defined yet. Today will will have a meeting to discuss this subject with the foreign ministers.

I firmly believe that this is the position of El Salvador. We, the five foreign ministers, must sit down around a table and have an in-depth and truly frank discussion of this. We should begin the meeting by putting forth the political willingness and the political decision of concluding the document, of concluding the instruments for control, of truly creating the system produced by Contadora in its four fundamental aspects. We must also create a system of responsibilities, of requirements of a political, diplomatic, juridical, and security nature. This is what I feel we should do.

Moreover, Sergio Ramirez is asking me now to mention that his presence here shows that he will participate, he will meet with us, the foreign ministers here, precisely to discuss this point. He will present the Nicaraguan position in this regard. I have given you some statements on the Salvadoran position [words indistinct].

After the Panama meeting, the Central American countries received the responsibility. The Central American countries, after all, were always the actors in this. The Contadora Group and the Support Group were an effort, a mediation. The mediators never fail. The mediators propose; the ones that fail or triumph are the actors. And the five Central American countries are the actors. We are the ones who historically will triumph or fail. And definitely, I personally, and on behalf of El Salvador, do not believe that we can fail, for should we admit the possibility of failing in this, because that would mean that we would condemn our people and future generations to total disaster; condemning them to war, and we do not want war. Definitely not. We are enduring the pain of an internal war, and we do not want this pain to become general in Central America.

[Reporter] Mr [name indistinct], is this meeting of foreign ministers that you have mentioned the one that the plenipotentiary ministers of the region decided to hold in San Salvador?

[Unidentified vice president] No, this is a meeting being held on the initiative of Guatemalan Foreign Minister Mario Quinonez Amezquita.

[Reporter] Regarding the proposal made by the plenipotentiaries excluding Nicaragua, [words indistinct] in El Salvador who were going to meet here in Guatemala, what happened with that project?

[Castillo] No. First of all, Nicaragua was not excluded. What happened was that it was considered easier to start with the four countries that had arrived at more coincidental points in order to advance in the analysis of all the matters discussed within the Contadora Group. We have never excluded Nicaragua, because, definitely, we cannot talk about peace in Central America excluding any country. That would be unreal. So the meeting in San Salvador was a work meeting at a technical level, in which no political decisions were reached. It was simply to review each country's view regarding the Contadora Group matters, without making any political decision. Now, at this meeting (?proposed) by the Guatemalan foreign minister, we are going to discuss the strategies that can and should be followed in the future. I will announce here publicly the Salvadoran proposal. I will propose that the five Central American foreign ministers meet somewhere as soon as possible, with the Contadora Group's documents on the table but, as I said before, with the political willingness and determination [words indistinct], in order to decide if we are really going to create this system or not; if we want peace and if we want to guarantee peace, a peace based on democracy and pluralism -- not the peace of no war, but the peace that really creates the conditions of coexistence and respect, of tolerance and understanding. [passage indistinct]

[Reporter] Did you consider in that proposal the U.S. decision to (?grant aid) to the mercenaries?

[Unidentified vice president] That matter is not in our purview. Definitely. [end recording]

PERUVIAN VICE PRESIDENT HOLDS PRESS CONFERENCE

PY261837 Buenos Aires TELAM in Spanish 0030 GMT 24 Jun 86

[Text] Buenos Aires, 23 Jun (TELAM) -- Peruvian Vice President Luis Alberto Sanchez today asserted that his country and Argentina are alike in a fundamental aspect: the two countries have unfairly exploited poor people and unfairly enriched rich people. The gap between the two extremes must be narrowed in favor of those who have less to obtain social justice with freedom, he said.

Regarding the foreign debt problem he said that, considering the economic crisis currently affecting everyone, there is evidence that the two countries are understanding, in a similar but not identical way, the problem of how to get out of the abyss into which the circumstances are gradually leading us.

Sanchez made these statements today during a press conference he gave at the reactorate of the Buenos Aires University (UBA) in this capital. He was accompanied by UBA Rector Julio Oscar Shuberoff and Peruvian Ambassador to Argentina Alfonso Brados. Reporters asked Sanchez about the prison riots in his country, and he replied that democracies have the right to be firm to safeguard the people's rights. He said that no one in Lima has expressed opposition to the manner in which the government faced and controlled the prison mutinies. He pointed out that President Alan Garcia has ordered a multiparty congressional investigation of the events to give an opinion on what happened. He remarked that the government itself has acknowledged that some excusses may have been committed during the repressions, particularly in Lurigancho.

Sanchez said that the existence of a clear economic policy is a positive balance of the first 11 months of government by his party. The payment of the Peruvian foreign debt is now guided by the needs of the nation and subordinate to the service of the majority sectors and to not further impairing social improvements, he said.

Second, he said, comes the drop in inflation. It can now be said that inflation, which threatened to reach 250 percent annually, will not surpass 64 percent this year, which is a substantial reduction. In order to attain this, various measures had to be adopted, such as the freezing of some prices, a measure that is gradually being lifted, and the stabilization of the foreign currency exchange. He then censured the rigid frameworks of certain social doctrines which say that everyone is equal, adding that his government believes that it must continue working for the oppressed classes of Peru. During the press conference, Peruvian Ambassador Alfonso Brados distributed among the journalists a copy of the Peruvian Government's official communique admitting that 124 people died in the Lurigancho prison, which hints at the possibility that some excesses may have been committed during the repression. The communique also says that the civilian authorities have immediately ordered an investigation to determine the seriousness of events, asking the legislative branch to use its controlling powers to carry out an investigation of what happened.

WORKER RETURNS STOLEN RADIOACTIVE MATERIAL

PY270008 Buenos Aires DYN in Spanish 1531 GMT 26 Jun 86

[Text] Buenos Aires, 26 Jun (DYN) -- A warehouse worker at Ezeiza International Airport was arrested today by airport security forces when he showed up to return a cylindrical container he had stolen. It contained technetium-99, a dangerous radioactive material used in medicine.

The warehouse worker was identified as Hector Flores, who had taken the container from the LADE [state airline] government warehouse, where it was stored among several imported goods. Flores has been placed at the disposal of Judge Julio Piaggio, who is ruling on this case.

LAINO ARRIVES IN BUENOS AIRES, PLANS HUNGER STRIKE

PY270020 Madrid EFE in Spanish 1620 GMT 26 Jun 86

[Text] Buenos Aires, 26 Jun (EFE) -- Paraguayan Authentic Radical Liberal Party [PLRA] First Vice President Domingo Laino today arrived in Buenos Aires from Montevideo after he failed in his fifth attempt to return to his country. In statements to EFE, Laino said "a hunger strike will be my sixth attempt to regain my right to live in Paraguay." Asked about the situation prevailing in Paraguay, Laino said that "the world is becoming aware of the brutal and bloody dictatorship of General Alfredo Stroessner."

ARMY RESTRUCTURING, MODERNIZATION VIEWED

PY200250 Buenos Aires TELAM in Spanish 1530 GMT 19 Jun 86

[Text] Buenos Aires, 19 Jun (TELAM) -- Army Chief of Staff General Hector Rios Erenu and members of the Army staff today briefed Defense Minister Horacio Jaunarena on the progress made on the restructuring of the Army. The meeting, which began at 0945 at the Army headquarters in the Libertador Building, was attended by Budget Control and Planning Secretary Adalberto Rodriguez Giavarini. The briefing focused on a realistic evaluation of the situation within the Army, on its medium- and long-term prospects, and on the methods for carrying out a study entitled Modernization of the Armed Forces.

After opening remarks by Rios Erenu, the following officers spoke: Personnel Department Chief General Miguel Abatte, Intelligence Department Chief General Francisco Gassino, Staff Director General Juan Carlos Medrano Caro, Logistics and Financial Department Chief General Julian Perez Dorrego, Planning Director General Roberto Dominguez, Institutional Policy and Strategy Department Chief General Roberto Atilio Bocalandro, Training Department Deputy Director General Valentin Venier, and Logistics Commander General Arturo Alias. Also in attendance were Army Deputy Commander General Mario Sanchez and Defense Ministry advisers.

The Army officers outlined more than 100 actions to be taken in the areas of health, meteorology, weaponry, supplies, communications, training, sale of assets, compulsory military service, and social services. As for the plan for streamlining the Army, the officers told the minister that the objective of the plan is to improve the use of budgetary allocations and raise the level of efficiency. The officers stressed that it was necessary to dissolve, merge, or deactivate some departments to cut spending and improve the efficiency and performance of joint military actions.

The briefing also touched on the measures that were already enacted and those that are still under study for the purpose of designing a military structure in line with the needs and abilities of the nation, both for the medium- and long-terms. The officers based their report on two interrelated courses of action: streamlining and restructuring. The first one, which aims at resolving specific problems, seeks to adjust the current structures to the available resources and the strategic needs. The second course of action is aimed at shaping the Army for the future, that is, for the long-term.

The minister was told that these plans will call for major structural changes, if the government objective of having an efficient and modern army with joint operation capability is to be attained.

The briefing was followed by a lunch, during which the minister and the officers reportedly discussed the budget, the federal appellate court decision, and other current issues.

FARM GROUPS GIVE GOVERNMENT 2-WEEK 'TRUCE'

PY242356 Buenos Aires BUENOS AIRES HERALD in English 24 June 86 p 3

[Text] (NA-DYN) -- Argentina's two major farm groups agreed yesterday to a two-week "truce" with the government before renewing protests over agro-related problems. The ARgentine Rural Socuety (SRA) and Argentine Rural Confederation (CRA) came out of a three-hour meeting of the Agricultural Economic Emergency Council saying they would hold off protests until July 8.

It was the first meeting between the SRA-CRA representatives and government officials since the two groupings led a 72-hour farmers strike June 9-11, which sparked meat hikes at the Liniers Market.

Economy Minister Juan Sourrouille, Agriculture and Livestock Secretary Lucio Reca, SRA President Guillermo Alchouson, CRA head Raul Romero Feris, Argentine Agrarian Federation (FAA) President Humberto Volando, and Intercooperative Agrarian Federation (Coninagro) President Valentin Levisman all attended the meeting.

The farmers' group said that the recently-fixed "support price for linseed and easing of tax retentions on wheat are two clear examples of how government action has benefited from the participation of farmers' entities on the Council."

During the talks, Alchouron and Romero Feris asked the government to extend to all farmers the credit lines alloted for small- and medium-sized farms and also the reduced export retention on linseed, which is around 28 percent.

They called the current measure "political and discriminatory" because "it aims to benefit small farmers" grouped in the FAA and Coninagro.

Following the June 9-11 strike, Reca announced that the government had decided to reduce wheat export retentions from 15 to five percent and was considering adopting a similar decision with regard to other grains.

Other recent announcements by the government include freight price facilities for moving the soybean harvest in the northeastern provinces, and help in financing debts of small cotton growers in Chaco and Formosa.

OPPOSITION, UNIONS REJECT BARTHELEMY'S CHARGES

PY261651 Madrid EFE in Spanish 2139 GMT 25 Jun 86

[Text] La Paz, 25 Jun (EFE) -- The Bolivian Labor Confederation (COB) and the political opposition has expressed its annoyance over the charges made by Interior Minister Fernando Barthelemy who said that drug traffickers and union organizations have a plan to oust the government and that this plan will be disclosed within the next few hours. The COB today issued a harsh document in which it warns that the government has prepared a repressive plan against unions aimed at preventing the consultation with the people on the tax reform and the payment of the foreign debt, which is scheduled to take place in July.

The COB said that the Interior Ministry wants to denigrate the people's movement, and the peasants who were the first to reject the tax reform after last weekend's national meeting in PatacaMaya, located in the La Paz Department. The political opposition has described Barthelemy's statement as "explosive" and believes that this proves that the government "fears the people's statement against its economic model and the IMF recommendations."

Mario Rueda Pena, former information minister during the Hernan Siles Zuazo government, today said that the interior minister has exaggerated the issue about the real extent of the union's opposition to the tax reform and the government's economic policy. Rueda Pena said that "I do not believe that the working class is preparing a people's rebellion to oust the government. The Bolivian people's movement has shown its maturity and it does not support venturesome plans."

For his part, German Monroy, the leader of the convergence axis made up of the four most radical Bolivian parties, said that "we categorically reject the threatening statement made by the interior minister." He said that "the fact that they are trying to connect drug trafficking actions with legal actions, like popular consultation and the freedom of speech, shows that the government is losing its confidence in the feasibility of its economic program."

The Movement of the Revolutionary Left-New Majority (MIR-NM) headed by former Vice President Jaime Paz Zamora, has also criticized the government's effort to involve the unions with drug trafficking and conspiracy.

For its part the MIR-Bolivia Libre, headed by Deputy Antonio Aranibar, has noted that the government "is desperately trying to undermine the credibility of the people's opposition to the tax law and to harass the people.

Today the interior minister reasserted his charges and added that within a couple of hours he will disclose "the COB's plan to oust the government." Barthelemy warned that the government is willing to declare a state of siege in the country with the objective of adopting preventive measures "against this plan which strives to thwart the democratic process and promote a rebellion of the masses."

RESPONSE TO REESTABLISHMENT OF RELATIONS WITH CUBA

Foreign Minister Comments

PY261452 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 26 Jun 86

[Text] Foreign Minister Abreu Sodre and his Cuban counterpart Isidoro Malmierca yesterday at 1600 simultaneously announced the reestablishment of diplomatic relations between Brazil and Cuba that were broken on 3 May 1964. [recorded statements by Abreu Sodre indistinct]

Foreign Minister Abreu Sodre emphasized that the reestablishment of diplomatic relations between Brazil and Cuba is based on the development of friendly cooperation in accordance with the UN Charter, especially in the areas of sovereignty, independence, and territorial integrity. Sodre explaind how the Brazilian Government expects that the relations with Cuba will be conducted in a serious manner with a thorough and strict respect for the principle of nonintervention, to study the possibilities for dialogue and cooperation. We believe [words indistinct] that the relations can be useful for the two countries if they are conducted in a balanced and clear manner for the benefit of the permanent interests of the two countries. [end recording]

Abreu Sodre added that he does not believe that the upcoming negotiations on informatics, to be held next July in Paris between Brazil and the U.S. Government, will be affected by the reestablishment of relations between Brazil and Cuba. Sodre also pointed out that the reestablishment of relations with Cuba is the first step toward the reestablishment of relations with North Korea, Vietnam, Formosa, and the other countries with which Brazil does not maintain relations.

Armed Forces Chiefs Respond

PY261649 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 26 Jun 86

[Text] Aeronautics Minister Octavio Moreira Lima and Jose Maria do Amaral, chief of the Armed Forces General Staff (EMFA), have stated that the reestablishment of diplomtic relations between Brazil and Cuba is a normal event.

Moreira Lima recalled that President Jose Sarney announced at the beginning of his administration that Brazil was going to maintain relations with all countries, and that Sarney is just fulfilling his promise. He added that the government decision was the result of negotiations that lasted over 1 year and that the decision cannot be questioned [recorded passage on Moreira Lima's statement indistinct]

EMFA Chief Jose Maria do Amaral stated that it is normal to maintain relations with all countries of the world. He added that it would be abnormal not to maintain relations. He pointed out that there is no reason for concern over the reestablishment of relations between Brazil and Cuba. He recalled that the first reestablishment of relations was with the PRC, now it is with Cuba, and that this is part of a plan that is being developed

He added that the two countries are not gaining or losing anything by the reestablishment of relations. He said that the reestablishment of relations is a normal thing.

Navy Miniter Henrique Sabci did not want to comment on this issue, and Army Minister Leonidas Pires Goncalves was not available. He will arrive today in Brasilia from the Amazonia Army Command where he has been making an inspection.

First Commercial Contract Signed

PY270224 Brasilia Domestic Service in Portuguese 0000 GMT 27 Jun 86

[Text] Brazil and Cuba have already signed the first commercial contract after the reestablishment of diplomatic relations between the two countries. The Caribe Communications Cinematographic Company, which is owned by Brazilian movie director Ney Brodevich, has been accredited to distribute Cuban movies in the Brazilian market.

According to Brodevich, President Sarney's decision is an act of justice that has legally united two countries that have always been intimately related. He added that the reestablishmen of diplomatic relations will open new paths for the exchange of scientific information between Brazilians and Cubans.

Civilian Household Chief Marco Marciel has praised President Sarney's decision to reestablish diplomatic relations with Cuba. He explaind, however, that this decision does not signify agreement with the Cuban domestic policy.

FOREIGN MINISTER TO VISIT AFRICAN COUNTRIES

PY262200 Sao Paulo O ESTADO DE PAULO in Portuguese 25 Jun 86 p 2

[Text] Foreign Minister Roberto Costa de Abreu Sodre will visit Angola, Cameroon, and Nigeria in October. In Launda, Abreu Sodre will hold meetings with the Brazilian ambassadors to Mozambique, Tanzania, Zimbabwe, Botswana, and Zambia. According to the foreign minister this will be a working visit and not a preparation for a possible future visit by President Sarney to Africa. Abreu Sodre said that the ties between Brazil and the African countries must be improved, this issue being a priority chosen by President Sarney himself.

IBRD CONFRONTATION CONNECTED TO INFORMATICS

PY270150 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 25 Jun 86 p 3

[From the "Notes and Information" page: "Brazil and the United States at Odds in the IBRD"]

[Text] For the second time, the U.S. representative on the World Bank executive board has tried to prevent the granting of a loan to Brazil. First, the U.S. representative abstained, along with the Japanese representative, from approving a $500-million loan for the Brazilian hydroelectric sector. The day before yesterday he wanted to examine a loan for the same amount for the Brazilian agricultural sector, saying he needed more time to convince U.S. farmers that this aid would not harm their interests.

Whatever argument is used, such an attitude reveals bad feelings toward Brazil, and it is certainly connected with the issue of the informatics law.

World Bank statutes clearly state that the granting of loans cannot be linked to political problems or be denied because of national interests. A consensus of the IMF and the World Bank management board members was never reached; moreover, the statute regarding the Bank's international employees was never clearly defined as it was for the other employees. Therefore, there is no doubt that the U.S. representative acted in defense of national interests. In the case of the hydroelectric sector, he justified his abstention on the grounds that further financial negotiations were necessary. As long as Brazil's eletricity rates are not readjusted, Brazil cannot easily pay its commitments to foreign creditors.

This argument seems to be well-founded, but it evidently stems from political reasons. First, the United States wishes to pressure Brazil on the informatics issue. It is shameful that a good cause should be marked by such disagreeable aspects. Second, the United States knows that the price of energy works to Brazil's advantage, even regarding the fact that U.S. companies working in our country take good advantage of that price (as they do, for example, in the case of aluminium production).

The political attitude of the United States became more evident in the case of the loan for the agricultural sector: It is necessary to defend the American farmers against the competition of Brazilian products in world markets. It is understandable that the Washington administration should take its electorate into account, which is very well-organized in the farming sector. It is also necessary, however, to take into account that Brazil will only be able to pay its foreign debt and buy American equipment if it increases its exports, and this should be explained to the American people.

It is important to note that Brazil at least managed to obtain support from the other IBRD member-countries in the matter of the loan for the hydroelectric sector,and very likely that tomorrow, it will obtain support from the majority in the case of the loan for the agricultural sector. Nonetheless, an odd incident occurred: Japan sided with the United States regarding the loan for the hydroelectric sector. This is a curious fact, because this World Bank's loan will allow Brazil to pay for equipment to be bought in transactions involving international bids that Japan has great possibilities of winning.

Europe has fully supported Brazil, mainly because it knows that the World Bank is Brazil's only source of hard currency. If Brazil obtains the $500 million loan on 30 June, (last day in the IDRB fiscal year), our country will have had its best year with the World Bank, obtaining loans totaling $1.618 million. If not, this will be our worst year with the IBRD since the crisis started. We must acknowledge the great importance of World Bank and IMF loans, and it must not be forgotten that the IMF and the World Bank work closely together, and that Brazil will have to return to the IMF if it wants help from the World Bank. If Brazil does manage to obtain support from the majority of European countries, it will be because Brazil has resumed payments of overdue interest rates and 15 percent of the principal on loans from the Paris Club and because it has clearly shown that, as soon as the political atmosphere allows it, it will return to the IMF. The countries of the Paris Club have influence in the World Bank executive board.

This episode has also convinced us of the need for Brazil to sit on the World Bank executive board, not just on the IMF board. Our government has been working on this, and everything indicates that Brazil will be able to obtain a place in the management of the international organization so that it can defend its interests more directly.

It is necessary however, to understand that once Brazil has decided to cooperate with other organizations, it must not adopt the hostile attitude it did toward the IMF.

DETAILS OF 7-YEAR SPACE PROGRAM OUTLINED

PY262154 Madrid EFE in Spanish 2033 GMT 24 Jun 86

[By Jorge Matiz Fernandez]

[Text] Sao Paulo, 24 Jun (EFE) -- Brazil is preparing to launch four more satellites a part of a 7-year program that calls for the use of Brazilian-made booster rockets. Th first one will be launched in January 1989. Aydano Carleial, thief of the space mission department of the National Institute of Space Research (INPE), has revealed that the first completely Brazilian-built weather satellite will be ready late this year. The weather satellite, which weighs 115 kg, will be launched on 31 January 1987 and will orbit at a height of 800 km. This satellite will be launched by a booster rocket manufactured at the Aerospace Technology Center [CTA].

According to a report published in the latest issue of the magazine ISTO E, the weather satellite is being built by Brazilian and French engineers at the National Center for Space Studies of France [name as received] in the city of Sao Jose dos Campos, a well-known aircraft manufacturing center 100 km north of Sao Paulo. This will be the third Brazilian satellite launched into space. Communications satellites Brasilsat I and Brasilsat II were launched in 1985 and 1986.

Brasils at I, which opened the Brazilian space program, was launched on 8 February 1985 from the Kourou Base in French Guiana with an Ariane-type French rocket. On 28 March 1986, 13 months after the first launching, the Ariane III rocket launched the second Brazilian satellite after a 9-day delay. Since then, Brazilian technicians have worked on a 7-year program, which will require a $280-million investment in its first stage.

Additionally, the INPE invested $20 million to adjust a laboratory for testing satellites that will simulate the conditions prevailing in the "interplanetary vacuum." In addition to the meteorological satellite that will be launched in 1987, the INPE is developing three more satellites that will be launched in 1991 and 1993. The last two satellites of the Brazilian space program, which were scheduled to be launched in February 1987 [words indistinct] by INPE for long distance measurements.

The first models of this type of satellite will be completed next year and will be tested at the "interplanetary vacuum" lab. Those responsible for the Brazilian space program are not satisfied with the program and have started to design a second stage that includes a space solar observation laboratory. This stage, which is still being discussed, consists of five satellites, two of which will be for research purposes.

Another project is designed to orbit a strange telescope for "peeking" into the space darkness. These projects will make Brazil one of the most advanced developing countries in the space field, very close behind technologically advanced countries like France and Great Britain.

NEW COMMITTEE FOR HUMAN RIGHTS VIOLATIONS

PY260234 Santiago Radio Chilena in Spanish 1700 GMT 25 Jun 86

[Relay from La Moneda Palace by Eliana Herniquez]

[Text] A government committee created to prevent and deal with human rights violations will be installed at 1600 this afternoon at the Interior Ministry. The government decree creating this committee was signed by President Augusto Pinochet during a ministerial Cabinet meeting held at La Moneda Palace, during which Interior Minister Ricardo Garcia explained the scope of the decree to all ministers.

Garcia stated that the committee's role will be to assess all terrorist actions that may result in injuries or death, illegal punishment or arbitrary arrests, without affecting the appropriate judicial procedures.

The group will be headed by Minister Garcia himself and will propose measures or recommendations to prevent these actions, and will make proposals to help victims with legal assistance, and in special cases, to recommend economic or social compensations for them or their relatives.

Six people will make up the committee: Father Alfredo Ruiz Tagle; Admiral Jorge Swett, retired; Lawyer Ricardo Martandia; medical Dr Arturo Atria Ramirez; and Engineers Sergio Silva Vazcunan and Enrique Valenzuela Blanquier.

According to Minister Garcia, this committee will begin by reviewing actions committed against the life and freedom of persons. The interior minister added that the creation of this advisory committee is absolutely in keeping with the principles ruling any government action. He added that the president of the Republic has decided to create this committee to conduct the work that was previously carried out by the Foreign and Interior Ministries, with the purpose of adopting measures that will guarantee all essential rights provided for by the national Constitution, and especially those dealing with the life, physical integrity, and personal freedom of all citizens.

TRUCK OWNERS' CONFEDERATION TO JOIN ASSEMBLY

PY232037 Madrid EFE in Spanish 1950 GMT 20 Jun 86

[Text] Santiago, 20 Jun (EFE) -- The decision by the influential Chilean Truck Owners Confederation to withdraw from the Social and Economic Council (CES), suspend payments on its debts, and join the Civic Assembly is one of the most important political events in recent years.

Confederation President Julio Lagos today confirmed that the Confederation has decided to walk out of the CES, a high-ranking advisory organ to the military government of general Augusto Pinochet.

The truck owners also reported that they have agreed to join the Civic Assembly, an opposition group that only six out of the seven federations of the truck owners sector thus far had joined.

The truck owners' decision comes after the Civic Assembly, which is made up of 18 major opposition social organizations, called for the first general strike against the regime for 2 and 3 July.

In addition, the sector has decided to suspend payments to all its creditors, among them the Disbursement Management Administration [Sociedad Administradora de Pagos], the Pegaso company, and the commerical banks.

The decision by the Confederation is of considerable significance, taking into account the importance of his major sector in the past few years. The truck owners played a decisive role in the actions that led to the ousting of the government of Salvador Allende in 1973, when the current regime took over.

In 1972 the truck owners, specifically those of Coyhaique (in southern Chile, 2,000 km from Santiago), began a strike that resulted in the first major general stoppage that gave the initial blow to Allende's constitutional government.

Upon announcing their decision to join the opposition, the truck owners pointed out that the reasons for this action are similar to those that led them to decree a stoppage in 1973. Lagos said: "The commitment that our sector assumed in 1973 compels us to search for economic and political solutions for the future."

Truck owners leaders have said that their major economic problems are the sector's huge debt, while freights have remained unchanged; the ever-increasing price of spare parts; and fuel prices, which have not decreased as much as on the international market.

The truck owners also complained about the government's support for large corporations, "to which it has given more than $4 billion," while the transportation sector has not received even 2 percent of that figure.

From a political viewpoint, after systematically refusing to establish relations with other organizations over the past few years, the turck owners have now decided to actively support the Civic Assembly. This step has strengthened the opposition group, which is made up of business, peasant, worker, public and private sector employees, womens organizations, and the 17 university student federations. The entire transportaton sector is expected to join the Civic Assembly shortly.

ARTURO BRANDT NAMED HEAD OF RADICAL PARTY

PY270219 Santiago EL MERCURIO in Spanish 25 Jun 86 p C 5

[Excerpt] Radical Party [PR] Vice President Sergio Trucco Palacios yesterday reported that physician Arturo Brandt Alvear has taken over as the new PR president. Brandt Alvear replaces attorney Gaston Ureta Godoy.

This decision was made by two-thirds of the active members of the PR National Executive Board.

Trucco, who is the only member of the Executive Board who maintained his position, stated that the change in leadership occurred "as a result of the lack of leadership of former presidente Gaston Ureta, who was unable to keep the party on the path outlined by the National Executive Board.

EDITORIAL VIEWS JUSTICE PALACE REPORT

PA260337 Bogota EL TIEMPO in Spanish 23 Jun 86 p 4 A

[Editorial: "A State of War?"]

[Text] There is virtually not enough time to read and reread, as one ought to, the reports pertaining to the Justice Palace takeover. The attorney general's report was released yesterday, after a presentation by [Attorney General Carlos] Jimenez Gomez, for whom the "showcase coup" [vitrinazo] is a favorite dish, abundantly consumed during his 4 years in office. It was not as alarming as was expected. It does contain, however, an element of danger, which we will discuss further on. The report denotes, more than a serious investigation, the results of the "personal views" that so deeply influenced the actions of the attorney general, whose term expires on 20 July.

It appears that Jimenez Gomez' report drifted into turbulent waters. The current situation and last minute developments overshadowed the report's relevance. This was the last or perhaps second-to-last action Jimenez will have taken as attorney general. The attempt on the government minister came across as clear evidence of the revolutionaries' savagery. It dissipated the climate of complacency that permeates certain parts of the attorney general's report and is easily discernible in the statements he issued during the early stages of his administration. The attempt on the government minister has begun to erode the beliefs on the moral quality of the guerrillas upheld by various observers and to shatter the subtle defenses on their behalf by sectors whose manifestations denote the naive emotionalism characteristic of a certain faction of the Colombian left. Even the barbaric uprising by "Shining Path" guerrillas in Peru's prisons had an unfavorable effect on the attorney general's report. With respect to what happened at the Justice Palace, the report must be regarded in a different light. Those who read it will find a not-all-that-carefully-concealed, sharp and biting analysis on the failure of what has been known as the peace process. On occasions the attorney general allows his "personal views" to take over, leading him to moments of compassion or complacency toward the guerrillas, while at the same time, and we conclude this from the report, coming to terms with the harsh reality of facts, the use of unjustified acts of violence throughout the long period of peace talks, and the clear ungratefulness toward the president of the Republic. All are clearly highlighted, as he ends by saying that the Armed Forces "are not the secret enemies of peace."

The report does not contain a single criticism of the military forces or of the action they undertook to recover the Justice Palace. On the contrary, it effervesces words of praise for the military's performance, and though admitting that several people disappeared during the action, it does so with benevolence and stolidity. The attorney general's final argument focuses on what he singles out as a possible mistake: the failure to protect the civilians who were trapped inside the palace and to have set into motion actions to secure the release of the hostages before undertaking any military action. We have already set forth our ideas on this controversial issue. We support the decision and actions taken by the president of the Republic in conjunction with the Armed Forces. We are certain that the overwhelming majority of the population agrees with us and the former presidents of the Republic in our support for the thesis set forth by [former President] Lleras Restrepo on the events that took place at the Justice Palace.

Today we observe and again compare the situation President Betancur is facing with that confronting Peruvian President Alan Garcia: the barrage of attacks against Garcia's instructions to reinstate order in the Peruvian prisons.

He is also being criticized because he did not try to negotiate and because of the number of dead. His critics failed to consider what might have happened if a firm decision for swift action had not been taken. The "Shining Path," like the "M-19," has clearly defined goals: to overthrow Garcia in Peru, as attempts were made to overthrow Betancur in Colombia. That battle against the revolutionaries is either won or lost, and the price must be paid, regardless of how high it may be.

Now we must ponder the disquieting decision of whether to classify the palace takeover as "an act of war." If the attorney general's ideas are accepted, then all guerrilla actions are justifiable. If the actions by the M-19 and other guerrilla organizations are afforded legal legitimacy, as would be the case with military confrontations with Peru or Venezuela, then no one will be able to hold the savage hordes that work under the protection of the various guerrilla groups responsible for anything they might do in the future. We cannot understand the attorney general's rationale for proposing such an idea. Perhaps it is the best justification he found for accusing President Betancur and the minister of defense at the Chamber of Representatives. He went too far, however. To accept the internationalist thesis of "casus belli" in a confrontation between a legitimately established Colombian democracy and the subversive actions by armed groups is a breach of the nation's legal order. It implies the disavowal of the recent elections, in which 8 million Colombians said no to armed action, no to the pretensions of the M-19 and other extremist sectors. The attorney general's thesis implies accepting and legalizing the predominance of a tiny minority over a mass of free men who rejected violence at the polls.

There is no civil war in Colombia. There are extreme left-wing groups that are being encouraged from abroad: Keep in mind the case of the ship discovered with a large military arsenal in Panama. We continue to live in a framework of legality, the same framework that has allowed the perplexing ideas of the attorney general to find a legal venue. It is imperative to clarify and stop in its tracks the thesis that we are in a state of war as if this were a conflict with a neighboring country that was so brilliantly set forth in the controversial report by the Colombian Attorney General's Office.

SALDIVAR: NO PROTEST RECEIVED FROM URUGUAY

PY261543 Asuncion EL DIARIO in Spanish 26 Jun 86 p 8

[Excerpts] "We have received no message, nothing," Foreign Minister Carlos Augusto Saldivar said yesterday afternoon when asked if the "Uruguayan Government had formally protested the incidents at the Asuncion international airport, where two Uruguayan lawmakers were beaten by police." Some reports have stated that U.S. State Department spokesman Charles Redman would also protest to the Paraguayan Government the "harsh police action" at the airport.

COLORADO PROGRAM ALLEGES 'MEDIA INFILTRATION'

PY262212 Asuncion Domestic Service in Spanish 0030 GMT 25 Jun 86

[Editorial from the "La Voz del Coloradismo" program]

[Text] As never before, the press in our country is being managed by elements unconditionally at the service of the subversive plan. Apart from one or two radio stations and a newspaper, the other communication media are creating the conditions for psychological war against the government. This is being done through the presence in key staff positions of journalists who are well-known as sensationalist and morbid misinformers and distorters of the truth. The leftism of the press in Paraguay is a sad fact about which the authorities are doing practically nothing. We say this frankly and with no fear of self-criticism within the party. This indifference of the authorities toward the serious problem of mismanagement of the communication media may yet have unpredictable and negative consequences for the nation's future.

An example of this will be sufficient: the case of Uruguay, which was the South American Switzerland 2 decades ago. With its democracy and freedom it was an example of an almost perfect state of law. Yet, through the sinister action of international communism, with the Tupamaros as its armed branch, that democracy and freedom, that state of law, went down the drain, and the Uruguayan people suffered untold misery. The cream of Uruguayan youth was lost, and the beautiful structure of one of the best civic cultures of the continent collapsed. The Tupamaros were given the green light to unleash one of most terrible guerrilla wars, only because the press paved the way in advance, subverting the minds of the Uruguayan people.

The Tupamaros infiltrated newspapers, radios, and television organizations, as they did social and labor organizations, university associations, and hospital workers' organizations, just as is now happening here in the Hospital de Clinicas and even in the church. Well-positioned, well-supported, and not resisted, the infiltrators waged a real psychological war against the government through the well-known methods of disinformation, minimizing the great actions of the state, discrediting the national authorities, mocking public personalities, and sensationalist magnifying of negative events.

The psychological war unleashed by Tupamaros who had infiltrated the media undermined the people's confidence in the government and democratic institutions. Then came mass rallies, sabotage, terrorism, and violence, with all the trimmings of subversive actions that cost the lives of thousands of innocent people.

Thus the South American Switzerland was destroyed, giving way to one of the most sinister forms of terrorism. Let us hope that this never happens in our country. However, similar symptoms are appearing in the supposedly independent press in Paraguay.

Clear signs that the press is being manipulated with subversive designs can be noticed in the presence of well-known leftist agents who, directly or indirectly, are managing the media and a well-organized campaign against our government. They are selling negative information to the people, and some journalists do not hide the fact that they are subversive and violent agitators. But let us produce some evidence, since the Colorados can speak straightforwardly, at least here on the "Voz del Coloradismo." We are not afraid of naming names, because we like to fight face to face. We denounce and will continue to denounce the enemies of the people who, using the press, are plotting against democracy, peace, the state of law, and the laws.

Let us name the former petty newspaper of subversion in the first place, which, thank God, was suspended and eliminated, as any malignant and cancerous tumor should be. Because of lack of foresight by the national authorities, the journalists who used to work for the newspaper published by the Yegros Street gay [ABC COLOR Director Aldo Zuccolillo] took positions, stimulating the division of the Colorado Party, the disunity of the family, and the abuse of public liberties. The lair of communist rats, as Humberto Perez Caceres calls it, no longer exists, but its agents do, ensconced in other newspapers, radios and televisiosn channels.

For instance, EL DIARIO, whose owner professes to be a friend of the government and President Alfredo Stroessner, not long ago minimized the rally and parade of the Colorado women and cynically played up the gathering of a few schizophrenic ladies who were banging pots and pans, rather than giving more space to the march of 100,000 Colorado women, 100,000 Republican ladies. It did the same with the rally of Colorados in Encarnacion; a rally of fewer than 50 youths who were used by infiltrated priests and rated a 5-column picture on the front page was more important for EL DIARIO than this impressive Colorado demonstration.

No less can be said of ULTIMA HORA, the small dog following the steps of the Yegros street newspaper, whose publisher is the ungrateful son of the illustrious Colonel Pablo Rojas. Here, under the command of Cazenave, Sostoa, Cespedes, and other embittered newsmen who used to write for the Yegros street gay, the information from the government is multilated, the rogues of politics are puiblicized, and anything that comes from the Colorado Party is assailed, except its internal dissensions, which are privileged with wide coverage. Now if ULTIMA HORA displays subversive tendencies, what could we say about Radio Charitas, for instance, which lost all its Catholic and religious circumspection and became a brazen mouthpiece of th left under the guidance of Guillermo Yaluk and other recognized Marxist sympathizers?

We have already talked a great deal about Radio Nandupe Poison spider, a pun on Nanduti]. We should only mention now the fact that its director, army-deserter, former Industry and Commerce Ministry inspector who, being of Jewish religion, not nationality -- please note the difference -- could not care less that the communists and Marxists murdered millions of Jewish people. Today he is allied with the socialists and plays along with the left, that is, with the murderers of his ancestors. This says it all. But Nandupe is not alone, because, in addition to Radio Charitas, it has an ally in Radio Primero de Marzo, where, under the command of the Viking Christian Nielsen, who still has to prove his Paraguayan citizenship, the microphones are unconditionallay open for the subversive plan.

The two television channels also have well-known leftist agents on their staff. We are referring to Salazar, the carbon copy of Ernesto Garcia and friend of former Boy Scout Ricardo Caballero Aquino, who calls himself the Cabanas [Paraguayan soccer star] of the intellectuals. While he was with Radio Charitas, Salazar continuously drummed up support for the frustrated playwright [Alcibiades Gonzalez Delvalle] and other pseudo-intellectuals committed to the subversive plan.

The situation is serious, because this sector of the press, which is managed by useful fools -- some of them are not fools, but they are very useful to communism -- is reinforced by correspondents of international press agencies in our country. Although they are Paraguayans, these correspondents are a matter of concern because of their anti-Paraguayan mentality. The roster of these press agencies includes AFP, EFE, LATIN, AP, UPI, and others, where Hugo Ruiz Solazar, Alfredo Seirfelt, Mauro, and others are daily and persistently dispatching distorted information about Paraguay, thus setting in motion the vast subversive plan through a journalistic merry-go-round, going from Paraguay to the outside world and then back to Paraguay. But this is a futile effort to dislodge the Colorado Party from the government and replace it with communism.

If the national authorities continue to do nothing about this situation, we Colorados will do something, at least here at "La Voz del Coloradismo," regardless of who gets mad or annoyed. We will not let the press be used as a vehicle to subvert the people. We will not keep our arms folded as long as these terrorists of the typewriter continue attacking the government, the state of law, and democracy with impunity. If the national authorities do not take action about this situation, we will respond to third aggression with our ideas, with the doctrine of the Colorado Party, and with the ideological firmness of President Alfredo Stroessner, who taught us to struggle for democracy without communism and communists and to do so face to face, holding our positions.

RADIO JOURNALIST REPORTEDLY ARRESTED, BEATEN

PY262100 Asuncion EL DIARIO in Spanish 26 Jun 86 p 47

[Text] Radio Charitas journalist Celso Velazquez was arrested and beaten yesterday, according to reports received from Caaguazu Department yesterday afternoon. Celso Velazquez is in charge of the program "We the Peasants" that is broadcast by Radio Charitas. He had gone to the Syryka district in Caaguazu to investigate the situation of approximately 150 local peasants who live in that district where an organization of landless peasants is working.

Spokesmen of the Interior Ministry branch office of Caaguazu Department indicated that they did not know of any journalist who had been arrested, but persons arriving from the area where the event took place, such as Calle 1a and Jovy Central, reported that Velazquez was arrested and beaten for trying to obtain more information about the situation of the peasants.

Radio Charitas spokesmen said last night that they know nothing about Velazquez, and an employee said that perhaps someone among those responsible for the "We the Peasants" program who was not in jail would be able to provide information on the journalist [sentence as published] The radio station journalist and some peasants were arrested by personnel of the police station of Raul Arsenio Oviedo district.

U.S. CARGO PLANE FORCED TO LAND IN LIMA

PY270104 Paris AFP in Spanish 0017 GMT 27 Jun 86

[Text] Lima, 26 Jun (AFP) -- Civil aeronautics sources have reported that a U.S. cargo plane was forced to land at this capital's Jorge Chavez Airport because it did not have permission to overfly Peruvian territory.

According to reports, the plane, which was flying from Mexico to Chile, was spotted early this morning near the Peruvian-Ecuadoran border, and when it was noted that it had not registered its flight plan it was ordered to land at Lima airport, which it did without incident. The plane is a Boeing 707, Registration No N-345-FA, and it belongs to the Race Company. This afternoon representatives of Eastern Airlines were trying to get the appropriate fines paid so that the plane and its crew of six could continue their flight.

Two weeks ago a Pan Am passenger plane flying to Santiago from Los Angeles had to land at Lima airport because it did not have permission to overfly the country. U.S. commercial planes cannot currently make stopovers in Lima because the air agreement between Peru and the United States expired 2 years ago and has not been renewed. Representatives of the two governments are negotiating a new agreement.

FRANCE AGREES TO REDUCTION OF MIRAGE PURCHASE

PY232148 Paris AFP in Spanish 2122 GMT 23 Jun 86

[Text] Lima, 23 Jun (AFP) -- President Alan Garcia today announced that France and Peru have reached an agreement to reduce from 26 to 12 the number of French-made Mirage 2000 aircraft to be purchased.

During a press conference granted to the foreign media at Government House, President Garcia stated that reduction of the Jupiter contract between the Peruvian Air Force and the Marcel Dassault Enterprise will allow Peru to save some $366 million. Negotiations on this issue started with France last year, shortly after President Garcia announced his decision to reduce military expenditures in order to channel the saved resources toward the country's economic development.

ANDEAN JURISTS CONDEMN HANDLING OF PRISON RIOTS

PY241357 Madrid EFE in Spanish 2004 GMT 23 Jun 86

[Text] Lima, 23 Jun (EFE) -- The number of deaths incurred during the repression of the riots in 3 Peruvian prisons stands at 267. The executive secretary of the Andean Jurists Commission today reported that there were 138 victims among the prisoners at El Fronton Prison Island. This total is a result of adding these 138 to the 2 prisoners who died at the Santa Barbara women's prison, the 124 inmates who died in the Lima Prison of Lurigancho, and the 3 Marines killed at El Fronton, according to official figures.

Diego Garcia Sayan, executive secretary of the Andean Jurists Commission, today released a communique to foreign correspondents and held a press conference on the events that occurred in the three prisons on 18 and 19 June. The press conference was not attended by Msgr Augusto Beuzeville, auxiliary bishop of Lima. He had been expected to be present, but as the prelate himself said, the Social Action Commission of the Peruvian Bishops is studying the same case, so he did not deem it suitable to make any comments.

The communique said that "the massacres that occurred as a reprisal for the taking hostages cannot be deemed necessary, since over 90 percent of the inmates were killed" in the three prisons. Garcia Sayan said that of those who had been charged with terrorism and killed in the repression, only 10 percent had been sentenced, to the rest were "technically" innocent.

The communique says that the action against the rioters "has seriously affected the legal order and the democratic institutions of the country." It says that available information "leads to the grave conclusion that the officials did not resort, as was required by the situation, to all the forms of persuasion and dialogue that were essential to prevent the bloodshed that could be foreseen." It adds: "It is not true that sufficient efforts were made to find a solution different from what occurred.

The communique says further that, despite the state of emergency imposed in Lima and El Callao, "the civilian officials have full authority, and the role of the Armed Forces should be limited only to preserving internal order, when the executive branch so orders."

The communique charges that the authority of the public administration "has been overpowered. This has happened with the judicial branch, the Justice Ministry, and the prison officials. All these have been prevented from taking action, thus violating the guarantee that justice will be administered."

The trial judges could not enter the prisons, which were declared "restricted military zones," and "still more serious, they were not permitted to participate in the identification of the dead or in the post mortems before the victims were buried," the document continues. Military judges were in charge of this task, it says, adding thata "the bodies were buried in secret, usurping civic powers." The government had promised that the bodies would be handed over to relatives.

The Andean Jurists Commission complains that "the civilian officials have thus been shunted aside, and our institutional structure, already weak, has received a serious blow." The commission further stresses that "not even the articles of the Geneva Convention on armed conflicts have been applied."

The communique says that it hopes that no obstacles will be put in the way of the government investigation into the alleged "excesses" that occurred at Lurigancho. Garcia Sayan gave as his opinion that these events serve only subversion, because the legal order has been violated and the administration of justice has been further weakened.

Regarding the summary executions said to have occurred at Lurigancho, Garcia Sayan said that hostages held by the inmates and then released by the rioters had seen some of them alive, but later there were no survivors. He admitted, however, that the demands of those charged with terrorism were made in response to "political dealings and there was a provocation on the part of the Shining Path to bring about the riots."

GUNMEN FIRE ON APRA LEADER'S HOME; 1 INJURED

PY261940 Paris AFP in Spanish 1808 GMT 26 Jun 86

[Text] Lima, 26 Jun (AFP) -- The police have reported that early this morning four alleged extremists opened fire on the residence of Senator Armando Villanueva del Campo and that a passer-by was wounded in the shootout that ensued with the influential poltician's security guards.

The unidentified individuals fired at the residence of the senator, who is also the secretary general of the ruling American Popular Revolutionary Alliance [APRA], from a nearby sheltered area, but when the senator's guards repelled their attack they fled. The residence is located in the residential neighborhood Chacarilla del Estanque.

A stray bullet seriously injured Cesar Augusto Venegas, who had to be taken to the San Antonio Hospital. A large police patrol was sent to the senator's residence, but Senator Villanueva was not at home at the time of the attack.

The Antiterrorist Directorate has reported that two of the people who attacked four news agencies, including AFP, on 23 Jun were arrested yesterday in El Augustino, a Lima district. The arrested people, who are members of the Tupac Amaru Revolutionary Movement (MRTA), were found to be in possession of 20 revolvers, 3 submachine guns, and a great deal of subversive propaganda, the police reported without giving the extremists' names.

Cerro de Pasco, a city 317 km southeast of Lima, is without water or power because the water processing plant on San Juan River 12 km from the city, has been blown up with dynamite.

In Puno, 1,300 km southeast of Lima, several bombas last night severly damaged the facilities of three government organizations.

Two children playing with a powerful explosive device, made up of four dynamite sticks and a timer, in the living room of their home in Chosica, a district 30 km southeast of Lima, were saved by their mother by sheer chance. Mrs Teresa Mendiola, who found her children playing with the explosive device, called the police, and a bomb squad carefully defused the explosive. The minors had found the bomb among the garbage near their residence.

NICARAGUA'S TINOCO ARRIVES, CRITICIZES CONTRA AID

FL270122 Mexico City NOTIMEX in Spanish 0045 GMT 27 Jun 86

[Text] Mexico City, 26 Jun (NOTIMEX) -- Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco, who arrived in Mexico City this afternoon on an official visit, called the U.S. aid to the Nicaraguan contras a criminal act since weapons are being given to assassins of peasants, women, and children. Upon approving the $110 million [as received] in aid to the Nicaraguan counterrevolution, he said, the U.S. Congress violated international law, since it is practically causing a war. Interviewed at the Mexico City Airport, the Nicaraguan official indicated that this financial support is also a slap in the face to Latin American because it attacks the democracy in the region. In view of the situation, said Tinoco, the Sandinist government has no alternative but to continue struggling and defeating the counterrevolutionary forces as well as working for peace in Central America to reach a peace agreement that truly respects the area countries as well as others.

The deputy minister stressed that now, more than ever in his country, as in Guatemala, constructive and positive responses have been made so that the Contadora act can be signed while the United States, Costa Rica, El Salvador, and Honduras Block the process.

In reference to a Central American parliament, Tinoco said that legislative instrument will never replace Contadora because that peaceful organization is the effort of Latin America and the parliament would be composed solely of Central Americans, and we would not be able to understand each other because the United States influences Costa Rica, El Salvador, and Honduras so that there can never be a regional agreement. He denied that Contadora has lost its strength and maintained that now, more than ever, this organization is at one of its strongest moments since all of Latin America is involved in the peace effort through the Support Group.

Nevertheless, Tinoco said peace in Central America is very distant and many more months of conflict will pass before an agreement can be reached between the countries involved in the Central American problem and the countries with definite interests in the area. Later during the interview, the Sandinist government official denied that Nicaragua is a communist or socialist country and he clarified that it is a country with a revolution and a pluralist ideology struggling for the well-being of its people. We have demonstrated this to everyone with the realization of periodic elections, he said. Tinoco stressed that neither the people nor the Nicaraguan Government are interested in exporting the the revolution to other Latin American countries since its revolutionary movement was a product of a very particular domestic situation. Tinoco will meet with Foreign Secretariat authorities to discuss the future of the Central American regional peace efforts.

SEPULVEDA ON POSSIBLE REAGAN-DE LA MADRID TALKS

FL261929 Mexico City NOTIMEX in Spanish 1830 GMT 26 Jun 86

[By correspondent Roberto Gonazlez Perez]

[Text] New York, 26 Jun (NOTIMEX) -- Foreign Secretary Bernardo Sepulveda Amor said this morning it is possible that President Ronald Reagan might extend an invitation to President Miguel de la Madrid to visit the United States but that the announcement has not yet been made through diplomatic channels.

Sepulveda has asked here about a report published today by THE NEW YORK TIMES, stating that White House officials had mentioned that President Reagan is planning to invite his Mexican counterpart to a meeting in California before 15 August. I believe that many days still remain, the Mexican foreign secretary said, adding that he had nothing else to say at this time. Sepulveda Amor traveled this morning to Washington, accompanied by the Contadora Group foreign ministers, and will return to Mexico City tomorrow morning.

GOVERNMENT TO SUBMIT PROGRAM TO CREDITOR BANKS

FL261848 Mexico City NOTIMEX in Spanish 1655 GMT 26 Jun 86

[Text] Mexico City, 26 Jun (NOTIMEX) -- Today the Mexican Government will submit a support and growth program for the payment of its foreign debt to the international financial community. The program seeks longer terms for its debt service payments, lower interest rates, and a request for payment of part of its debt in pesos through the capitalization of liabilities. This was announced by Finance Secretary Gustavo Petricioli, who is already in Washington, United States, to meet with President of the Federal Reserve Bank Paul Volcker, Treasury Secretary James Baker, and IMF Managing director Jacques de Larosifre.

The program's main points are aimed at assuring growth of the Mexican economy of at least 3 to 4 percent in the next 2 years inasmuch as it is impossible to restrain it further without serious social consequences.

This will avoid the possibility of having to use Mexican foreign currency reserves. The exact cost of the foreign debt renegotiation -- which amounts to around $98 billion -- will be announced. Creditor concessions in the payment of services will be requested. There will be an attempt to maintain current rates of imports to avoid paralyzing production.

Petricioli explained that international banks will be informed about the real situation the Mexican economy is facing. Domestic efforts will be underscored as well as the need to obtain foreign financial support. The program was approved by President Miguel de la Madrid and submitted to the economic cabinet. It will allow the country to obtain necessary resources to deal with its commitments with creditors.

The Mexican delegation, which will negotiate with international banks, is composed of Finance Secretary Gustavo Petricioli, Planning and Budget Secretariat Planning and Budget Control Under Secretary Pedro Aspe, Bank of Mexico International Organizations and agreements Director Ariel Buira, Finance Advisers Coordinator Jaime Serra Puche, Finance Under Secretary Francisco Suarez Davila, and Finance Secretariat Credit director General Jose Angel Gurria.

BILATERAL TRADE WITH GUATEMALA TO INCREASE

FL261446 Mexico City NOTIMEX in Spanish 0050 GMT 26 Jun 86

[Text] Guatemala City, 25 Jun (NOTIMEX) -- The presidents of Mexico and Guatemala, Miguel de la Madrid and Vinicio Cerezo Arevalo, respectively, will reactivate bilateral trade, reach concrete agreement on the export and import of Guatemalan products, and sign cooperation agreements during their first meeting on Mexican soil in early July.

In commenting on the coming visit to Mexico of chief executive Vinicio Cerezo Arevalo, an official of the Mexican Embassy here said that trade between the two countries is at one of its lowest level, which is a reason for concern on both sides of the border.

The diplomat expressed the opinion that the phenomenon of trade concentration on the one hand and the drop in the volume of transactions on the other reflect the fact that the mechanisms of commercial cooperation have not been efficient enough to encourage trade that should be natural between two neighboring and similar nations such as Guatemala and Mexico. Because of this, he stressed the urgency of active agreement being reached by the two countries to encourage the development of trade.

The stay in Mexico of President Cerezo Arevalo and most of the members of his Cabinet will make it possible to draw up and sign various bilateral initiatives such as lines of credit for financing exports and imports on a priority basis.

The Secretariat of Finance has stated the advisability of establishing a coinvestment fund. This agreement will also include the need to identify projects for the utilization of funds from the San Jose Agreement and the creation of a working group to follow up on financial and other matters. This framework agreement will later serve as the basis for a new meeting of the high-level working group, to be held in Guatemala.

The Guatemalan delegation will sign a protocol on social security matters with the Mexican Social Security Institute, and a technical cooperation agreement between the Guatemalan Ministry of Planning and the Mexican Secretariat of Planning and Budget. It will also sign an intersectorial economic cooperation agreement for the supply, acquisition, and marketing of school supplies between the national company for basic commodities-Disconsa [not further identified] and the Guatemalan Ministry of Education.

SOVIET ENVOY DISCUSSES DISARMAMENT PROPOSALS

FL250334 Mexico City NOTIMEX in Spanish 2315 GMT 24 Jun 86

[Text] Mexico City, 24 Jun (NOTIMEX) -- To prevent the danger of the United States breaking the military balance, Soviet Ambassador to Mexico Rostislav Aleksandrovich Sergeyev has said the Soviet Union's new proposal to the United States is called space for peaceful purposes [galaxias para la paz].

Interviewed during a ceremony commemorating the 46th anniversary of the Soviet victory over the Nazi-fascist forces, the diplomat said the danger created to peace by the policies of aggressive circles is not inevitable which is why it is necessary to present the United States with new proposals.

In reference to three recent proposals made to the United States which have not yet received a favorable response, Sergeyev stressed that they asked for the prohibition of nuclear weapons, measures to prevent nuclear accidents, and the creation of the space for peaceful purposes program to avoid another war.

The Soviet ambassador emphasized that the socialist society does not need foreign territories or resources, and this is another indication that the Soviets are in favor of peace.

On another topic, Sergeyev said the USSR agrees with the fundamental demands of the Group of Six which were expressed in the New Delhi Pact. Even though there are differences, he said, the Soviet Union generally agrees with the main points.

In reference to the pressure the United States is directing to other countries, Sergeyev said his country is against intervention in other territories and has absolute respect for the self-determination of the peoples.

BRIEFS

DRUGS SEIZED, CUBANS DETAINED -- The attorney general's office has reported that the Mexican military and judicial authorities seized approximately 6 tons of cocaine in operations conducted throughout the country during the last 18 months. This office asserted threat most of the drug was transported by air from Colombia, although it has also been transported by sea for its eventual sale in the United States. [Excerpt] Mexico City NOTIMEX in Spanish 0355 GMT 25 Jun 86 FL] In line with the permanent anti-drug campaign, Mexican authorities have detained in Isla Mujeres -- in the Mexican Caribbean -- nine cubans on suspicion of drug smuggling and have confiscated 356 kg of cocaine in the central state of San Luis Potosi. Arsenio and Albert Morales, Ruben Troche, Herminio Sanchez, and Ruperto Almanza, who are Cubans residing in the United States, were arrested along with four other men whose names were not released. [Excerpts] [Mexico City NOTIMEX in Spanish 0040 GMT 25 Jun 86 FL]

PRESIDENT CRITICIZES CONTRA AID APPROVAL

PA270306 Paris AFP in Spanish 2159 GMT 26 Jun 86

[Text] Panama City, 26 Jun (AFP) -- Today President Eric Delvalle criticized the U.S. Congress' approval of the $100 million for the Nicaraguan contras by saying that such a decision "imminently endangers peace in Central America."

Delvalle said that the Contadora Group, formed by Panama, Mexico, Colombia, and Venezuela, believes that the only possible way to achieve peace in Central America is by means of dialogue, understanding, and the overcoming of conflicts.

During the inauguration of a highway and a Bailey-type bridge built by Panamanian military men and by military men who are part of the U.S. Army reserve on the Panamanian northern coast, the president stressed: "Panama believes that those goals can be attained." However, Delvalle said that the U.S. congressional attitude could really "accelerate" the solution that Contadora represents, in view of the imminent danger represented by the approval of the $100 million for the contras in Central America. [sentence as received]

In addition, today President Delvalle made comments regarding recent press publications of statements made by ultraconservative U.S. Senator Jesse Helms. Delvalle said that through its diplomats, and through notes sent to all the Latin American governments, Panama will report the existence of a "deranged" senator who is hinting at the possibility that the United States will not fulfill the 1977 Canal treaties, through which the country should completely turn over the Panama Canal to Panamanian hands by the year 2000.

In an impromptu statement granted to foreign correspondents, Delvalle stressed that: "We will warn all Latin American presidents: Panama is already on the alert." Standing beside General Manuel Antonio Noriega, the commander in chief of the Panamanian Defense Forces, Delvalle said: "We will never allow an action such as the one hinted at by Mr Helms."

According to the Panamanian Government, in the last few days, Noriega, Panama's strong man, has been the victim of an "international campaign" of slander. The campaign was started by U.S. media with the intention of "destabilizing" the Panamanian Government.

Today at noon Gen Noriega inaugurated the highway built in the framework of military engineering exercises carried out between Panama and the United States on the Panamanian northern coast, near the area of the Panama Canal.

FOREIGN OFFICIALS INVESTIGATING PIA VESTA

PA252007 Panama City LA ESTRELLA DE PANAMA in Spanish 25 Jun 86 p a1, a10

[Text] Members of the Peruvian Investigations Police, Salvadoran intelligence, and Interpol will investigate the shipment of weapons seized by Panamanian naval authorities aboard the Danish-flag vessel Pia Vesta.

The members of these organizations, who have been officially appointed by their governments, arrived in Panama City to begin their investigation of the seized materiel and its destination.

The arms shipment Panamanian naval authorities found inside the Danish vessel Pia Vesta consisted of 200 tons of materiel, including trucks, missile launchers, and enough sophisticated artifacts to spark terrorism in any nation in the world. The authorities from Peru, El Salvador, and Interpol have come to analyze confidential documents in possession of Panamanian security organizations.

The Pia Vesta was detained a few days ago after intelligence offices from the Peruvian Presidential House tipped off Panamanian naval authorities.

BRIEFS

NEW AMBASSADORS PRESENT CREDENTIALS -- New ambassadors from Mexico, Carlos Planck Hinojosa; Haiti, Louis Lafontaine; and Spain, Tomas Lozano Escribano, have presented their credentials to President Eric Arturo Delvalle. Foreign Minister Jorge Abadia Arias was present at the ceremony held on the occasion. [Summary] [Panama City CRITICA in Spanish 23 Jun 86 p 24 PA]

COSTA RICA

OFFICIALS VIEW U.S. MOVE FOR C.A., CONTRA AID

Arias 'Happy'

PA270205 San Jose Radio Reloj in Spanish 0100 GMT 27 Jun 86

[Text] Costa Rican President Oscar Arias has said he is happy over the House of Representatives' determination to give economic aid to Central American nations and military aid to Nicaraguan counterrevolutionaries.

As for the aid for the contras, he said he would rather wait for more information in order to determine the nature of this aid. He recalled that some resolutions are still to be voted. He said he did not have information on the amount and destination of the economic aid that the United States would deliver to Central America and its military aid for the contras in Nicaragua. He pointed out that it will have to be determined whether such amounts will take the form of loose credits that can be used by the government at will or if this amount can be used to strengthen the balance of payments. Another possibility is that such resources can be used as determined by the U.S. Congress. Such aspects and the voting in the Senate will have to be considered prior to any opinion, Dr Arias said.

Madrigal Favors Negotiations

PA261631 Panama City ACAN in Spanish 1600 GMT 26 Jun 86

[Text] San Jose, 26 Jun (ACAN-EFE) -- Costa Rican Foreign Minister Rodrigo Madrigal Nieto said today that the $100 million which the U.S. Congress approved yesterday for Nicaraguan contras "does not change" the Central American situation very much. The official said that in some form this aid was already being given to the anti-Sandinist rebels, but that now "we are forced to redouble efforts to prevent military solutions prevailing over the political efforts." The Costa Rican foreign minister made this statement minutes before leaving for Guatemala where the Central American vice presidents will meet today to study the creation of the Central American parliament. "We will continue to carry out efforts to achieve a negotiation that will permit democratic progress in Central America," Madrigal Nieto added. The foreign minister said that Costa Rica has reiterated in all international forums that "fraternal pressure" must be exerted on Nicaragua so that "it will allow peaceful coexistence within the process of regional democratization" in Central America. "We hope," he added, "that Nicaragua will heed our requests and those of the Contadora Group (Mexico, Panama, Venezuela, and Colombia) to open up a little to find a formula of understanding that will enable us to peacefully coexist."

GUATEMALA

ECONOMY MINISTER COMMENTS ON NICARAGUAN DEBT

PA260502 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 25 Jun 86

[Text] Economics Minister Lizardo Sosa has said that it would be illusory to believe that Nicaragua will pay its debt of 190 million Central American pesos or dollars [as heard] to Guatemala in 1986. However, feasible mechanisms will be used so that the debt decreases, and then Nicaragua can get out of it. The government has said that Guatemala is doing everything possible and will be able to pay its debt to Costa Rica, and it expects that debtor countries will also seek the way to pay, which may include previously agreed-upon amortizations.

HONDURAS

OFFICIALS VIEW HOUSE APPROVAL OF CONTRA AID

PA261721 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 26 Jun 86

[Text] Regarding this report -- the hottest report in the international arena -- on the U.S. $100-million aid for the Nicaraguan contras, we consulted Congress President Carlos Montoya. Here is a report by Julio Armando Valdes:

[Begin recording] [Montoya] I have said that Washington [words indistinct] border with Nicaragua and that regardless of the approval of those funds, we are facing a very important conflict. It is my view that support for the Nicaraguan insurgents was evident and I believe that this will allow us to watch them leave Honduras so that they can fight for their ideals in their homeland.

[Valdes] Will the national congress now ask the Armed Forces to enforce a respect for our national sovereignty [words indistinct]?

[Montoya] It is already a duty stated in the Constitution. The Armed Forces must defend the country's sovereignty, integrity, and security. I think that they are fulfilling this mission carefully and dutifully. I have had the chance to talk with the top leaders of the Armed Forces on various occasions when government officials expressed concern over what would happen if the so-called Nicaraguan counterrevolutionaries were denied the financial assistance. We worried about the effect that this could have on our country. It is truly difficult for Honduras because Honduras is fighting to preserve (?its peace) [words indistinct] it is increasingly subjected to pressures from all the sectors that are involved in the struggle, which I would call the sociopolitical and economic struggle of the region. I hope that the congressional decision will guarantee these groups' exit from and absence in the country.

[Valdes] [Question indistinct]

[Montoya] [words indistinct] Nicaragua. We have nothing to do in those conflicts. It is for the Nicaraguan people to [words indistinct] ideological [words indistinct].

[Valdes] But does this attitude affect our country's security?

[Montoya] On the contrary, I feel that if those people would have been left without economic support that could have resulted in an enormous conflict for the region.

[Valdes] [Question indistinct]

[Montoya] Evidently, there is a struggle underway in Nicaragua. I think that the approval of this $100 million has certain conditions. It is conditioned upon a period in which the forces in conflict are urged to reach a political agreement. We all want a political agreement in Central America and its verification and implementation. This is a way to exert pressure on the Nicaraguan regime. One must see it this way. The Nicaraguan regime takes a pro-Soviet line and, consequently, it opposes the people who do not agree with that system. This has happened throughout the world. Wherever there is a regime of a certain ideology, it meets an opposition. The East-West confrontation is present in the region.

Therefore, unfortunately, these are realities. They are facts that can be confirmed. Regardless of any personal views, these problems exist and we must seek the best solution for Honduras. We do not want to become involved in (?a military) escalation. Therefore, its struggle must be waged.... [changes thought] Well, let's hope that this will lead to an internal agreement in Nicaragua among all the sectors in order to democratize that process with the support of all Nicaraguans. We honestly wish that no more shots be heard in Central America. Unfortunately, wishes are not realities. [end recording]

We also consulted Enrique Aguilar Paz, leader of the Innovation and Unity Party, regarding this approval of the aid to the contras. Let us listen to Aguilar Paz' view on this contra aid. These remarks were obtained by Javier Gabimo Villalobos.

[Begin recording] [Aguilar Paz] I think that the congressmen who voted in favor of that have a great responsibility because, indirectly, they are promoting war in the region. Precisely now, at this moment, we are discussing one of the many implications of this U.S. policy because it is making Honduras a victim. One example of this is the problem of the refugees. We have approximately 50,000 registered refugees, but there are more than 200,000 who have not registered and they are already causing serious problems. The fact that Honduras is located in a war zone, prevents the investment of foreign captials in our country. This also affects the flow of tourism into Honduras because it is felt that Honduras is involved in a war. Also our international image, unfortunately, is one that, whether we want it or not, shows us supporting a policy which we believe is not the most correct.

[Villalobos] This U.S. foreign policy on the one hand says it supports the Contadora Group, and on the other it supports the counterrevolutionaries. Do you view this in this way too?

[Aguilar Paz] We have stated this at the highest levels through a document. I believe that, undoubtedly, the U.S. foreign policy is that of playing a game with several plans. But this is obviously creating serious problems which will result in other problems. We have also said that another grave implication is that the fact that there is an army in Honduras which is not made up of Honduran soldiers, which can lead the country to a state of [word indistinct] which is also the case in the Middle East. Therefore, we believe that the big powers must respect principles of international law such as nonintervention in the domestic affairs of other countries, the respect for the people's self-determination, and the implementation of solidarity principles because [words indistinct] legal equality of the states and favor the development of these countries, but not through war. [end recording]

NICARAGUA

FURTHER RESPONSE TO HOUSE VOTE ON CONTRA AID

Ortega News Conference

PA261450 Managua Domestic Service in Spanish 1203 GMT 26 Jun 86

[News conference by President Daniel Ortega Saavedra with foreign correspondents in Managua on 25 June -- recorded]

[Text] [Unidentified moderator] There will now be a brief questions and answer session. We are now going to wait for....

[Unidentified reporter, interrupting] Have you thought of, shall we say, any risk which any U.S. military adviser with the contras may face?

[Ortega] We have said that this financing also implies that the mercentary forces will have direct military advice and training from U.S. military advisers. This means that the U.S. military advisers will face the same risks as the mercenary forces in Central America.

[Unidentified reporter] [Words indistinct] Regarding the military training of the EPS, the Nicaraguan forces, or the Sandinist forces, what does this mean now?

[Ortega] Well, we have never ignored battle readiness. What this means is that the country's defense plans have been right and on target. Now we have to strive harder to improve battle readiness considering we face direct intervention by U.S. troops.

[Yacuya] Pablo Yacuya, Sweden Radio. Commander, regarding the terms of the military agreements on arms reduction established by Contadora, will you review the sort of proposal you have made to Contadora, will you review the sort of proposal you have made to Contadora? Do you want to continue trying to reach a regional agreement on arms limitation without U.S. participation, despite the $110 million [aid to the contras]?

[Ortega] We have made specific proposals to Contadora and we will stay with them. It is clear that implementation and viability of the proposals depend on similar actions by the U.S. and Central American governments. In other words, Nicaragua will not unilaterally implement these proposals. Instead, these proposals have to be concurrently implemented with the other Central American governments and the U.S. Government too.

[Unidentified reporter] Mr President, any time the U.S. Congress takes action before Contadora arrives at a new decision, there is some sort of change, sometimes major, sometimes minor, in the Central American government's viewpoints. Do you feel that the decision adopted tonight in the United States will affect the decisions the Central American governments have made on the proposals already contained in the Contadora Document? If that is the case, what role will the Nicaraguan Government play?

[Ortega] The Central American governments want peace in Central America. They want peace in Central America. However, they are under U.S. pressure or blackmail. To date, Central American governments, such as the Salvadoran, Honduran, or even the Costa Rican Government, have been under serious pressures to adopt negative stances regarding the process of negotiations. In fact, now in an open way, the U.S. Government is going to distribute $65 million to each of these governments. (?This is) how it combines blackmial with a virtual payoff. They are being paid off. We do not lose hope that the Central American governments will act responsibly. They know full well that U.S. intervention in Nicaragua, that the increase of the U.S. presence against Nicaragua -- as in the transfer of U.S. advisers to train the mercenary forces -- and that the escalation of the conflict, affect all of Central America. Therefore, there is concern about that. We do not lose hope that the Central American rulers will firmly and, most of all, responsibly reject the U.S. policies of blackmail and truly seek peace in Central America.

[Unidentified reporter] Montreal's LE DEVOIR newspaper. You have talked about blocking the creation of an internal front. This is my question. Does this mean that the state of emergency will be reinforced in Nicaragua?

[Ortega] There is a state of emergency here, and the state of emergency will remain.

[Unidentified reporter] Commander Ortega, days before the voting [in the U.S. Congress], attacks by the Higher Council of Private Enterprise [COSEP] grew against the Nicaraguan Government. Likewise, some prominent figures went to the United States. Yesterday President Reagan quoted Cardinal Miguel Obando y Bravo and Msgr [Pablo Antonio] Vega to ask for aid to the counterrevolution. How do you feel about the active role Nicaraguans have played to obtain approval for the aid to the counterrevolution?

[Ortega] I think that it is very clear that the U.S. Government has been using some Nicaraguans to buttress its request to finance the mercenaries. So far, we have not heard these Nicaraguans disavowing President Ronald Reagan's use of their stances and their speeches here and in the United States; that is, the speeches these Nicaraguans have made here and in the United States. Therefore, I think that people like Cardinal Obando y Bravo and Bishop Vega will have to define themselves vis-a-vis the Nicaraguan people; or rather, they are defining themselves against the Nicaraguan people. People like the COSEP members are defining themselves more and more against the Nicaraguan people. The Nicaraguan people are clearly seeing what side those individuals are on -- either they are on the side of peace and the Nicaraguan people or on that of the U.S. terrorist policies. As of today, they have the opportunity and possibility to openly say what side they are on. They will have the opportunity to condemn the approved policies of financing the mercenary forces against the Nicaraguan people, or they will have the opportunity to keep silent as accomplices. Therefore, the people will be the best judge of their actions.

[Unidentified reporter] [Name indistinct] Of London's BBC. Will the decision by the U.S. Congress somehow affect Nicaragua's relationship with the United States?

[Ortega] Well, Nicaragua has insisted on trying to normalize its relationship with the United States. The relations have been deteriorating, or they have been affected. It is to be believed that following the approval of the $100 million aid the United States will take new steps and that this deterioration may lead to a break up of relations with Nicaragua.

[Lugo] Roberto Lugo of Cuban television. What do you feel is the status now of the Esquipulas document and the Contadora and Support Groups' actions? What is the status of all these (?actions)?

[Ortega] This is an attack against the peace effort of the Central Americans, the Esquipulas document, the Latin American peace effort, and the Contadora and Support Groups. As a matter of fact, there was a meeting of Central American vice presidents in Guatemala today. This has to worry the Central American governments. Either we act responsibly and refuse to let ourselves be dragged into a confrontation, which is what the United States wants, or -- as I said -- the situation will get worse and affect the entire region. The United States is striving to affect and destabilize the region. This (?surely) hits the Esquipulas efforts for a Central American dialogue, and the Contadora and Support Groups' peace proposal.

[Unidentified reporter] Edith [name indistinct] of Paris' LIBERATION. The Contadora and Esquipulas peace efforts seem to clash with the U.S. political commitment or Washington's decision [word indistinct]. What allies can Nicaragua seek, and what will its policy on this matter be?

[Ortega] The best allies of the Nicaragua people are the Nicaraguan people, the Latin American people, even the U.S. people, and the peoples of the world. We continue to defend the Nicaraguan revolution based on our own capabilities and resources. Of course, we count on the solidarity first of all from the Central American peoples, the Latin American peoples, and the world. Thank you.

Ortega Reads FSLN Communique

PA270438 Managua Domestic Service in Spanish 0000 GMT 27 Jun 86

[FSLN communique, read by Commander Daniel Ortega, coordinator of the FSLN Executive Commission, in Managua on 27 June -- live]

[Text] [Words indistinct] of the FSLN's National Directorate to the Nicaragua people. Nicaraguan brothers: All of Nicaragua and the world at large are already familiar with the new act of U.S. aggression that victimizes us.

The U.S. President has succeeded in tricking the feelings of the U.S. people and the international community involving the U.S. Congress into his criminal policy against Nicaragua. The approval of the $100 million to continue the now open war against the Nicaraguan people entails unpredictable consequences. This serious fact will not only inflict more deaths, destruction, and grief on our homeland, but signals the commitment of the U.S. Government branches in the aggression against Nicaragua. The way in which these millions in crime have been approved also means the direct and open commitments of all the Central American states to this policy of war, because the will of the other four Central American states has been offered to be purchased for $300 million.

The peace negotiation process that the Latin American countries carry out through the Contadora and Support Groups is being dealt a blow that purports to be deadly. The willingness for peace of the international community is being trampled on with impunity. The FSLN's National Directorate, echoing the response that the Nicaraguan people have begun to give to this new act of aggression in the feeling of the Sandinist militancy, addresses the whole nation to announce the following:

1. Since the very moment that the $100 million was approved, the National Directorate proceeded to meet with the FSLN's most important cadres stationed at the various governmental, political, military, and mass positions to update and outline the plans previously discussed and approved in case this new act of aggression should happen. It is clear that this act initiates an aggressive escalation that changes the domestic and international perspectives in which our revolution has evolved. This forces us to revise some of our policies so that the Nicaraguan people at large are in better shape to confront this new threat that they must face.

2. Nicaragua will appeal to the United Nations, the General Assembly, [words indistinct] the Contadora and Support Groups, the EEC, all forums and friends in the international community, as well as governments and political organizations and peoples of the world in order to report to them the new situation.

Our objective is to stop the escalating aggressions and seek the full solidarity that will allow Nicaragua to face this higher phase of aggressions in the best of conditions, and to allow the international community to stop this reemergence of fascism that is an effort to ignore juridical order and international law.

3. Internally, it is essential to increase and reinforce the security measures that will allow the country to defeat the terrorist plans to which President Reagan's mercenary forces will resort in response to the strategic defeat that are facing on a military level. The organized people must strengthen revolutionary vigilance, civil defense, and all of the political mechanisms that will prevent sabotage against the economy, against the country's infrastructure and the Nicaraguans' lives, and relentlessly destroy every effort the enemy makes.

4. This new situation demands the strictest implementation of the state of emergency, which, in an effort to contribute to internal and regional detente, has at times been applied with excessive flexibility. We cannot continue to allow turncoats to shamelessly continue being U.S. Government agents, justifying the aggression, undermining the people's defensive efforts, and providing "civic coverage" for the counterrevolutionary plans to destroy this revolution that has cost the Nicaraguan people blood, grief, sacrifice, and thousands of lives. There must be no hesitation to apply the law with all its force against those who -- satisfied for having contributed to opening this aggressive escalation -- now believe they can continue their criminal, antipatriotic, and antipopular activities.

5. We must ensure, with no excuses at all, the compliance of the quotas required by our Sandinist Army in the mobilization for the Patriotic Military Service and in preparation within the military reserve service and Sandinist People's Militia to reinforce the national defense plans approved by the revolutionary government. Only the accelerated development of the achievement of the military doctrine for the defense of the revolution will dissuade the direct invasion by U.S. troops, or destroy it should it happen.

6. The U.S. Administration has already left traces of deep repercussions in our economy. The aggressive escalation opened today will aim to disrupt even further our productive efforts and the supply of basic products to the people. Each workplace should be a combat trench. Each basic product we produce or import guarantees our subsistence to resist the aggression wih dignity. The limitations and self-imposed limitations [as heard] toward the challenges of a war economy should be faced with patriotic feeling and revolutionary spirit. Work, productivity, efficiency, savings, honesty, and responsibility in the productive workplaces and in the jobs for service and supply to the people cannot be left behind the good will of which a few indirect agents of the aggression evade -- the speculators. [sentence as heard] The lazy and inefficient still remain in our country. This is a requirement of the thinking people which the government, with its laws, and the power of the people, with the organized and belligerent masses, should accomplish.

7. The FSLN, along with all its members, must direct its actions following the example of our heroes and martyrs. The FSLN National Directorate will meet with the Sandinist Assembly starting Monday, 30 June, in order to review our actions and face the problems we have in the areas of material production and supply. The results we obtain in those meetings will be the weapons to guarantee that your work and labor will be the bulwark and the essence of the revolution and the homeland. All the members of the FSLN should be at the forefront of this battle. They will not make us bend our knees in hunger. Nicaragua wants peace, but not the humiliating peace which will result from imperialist blackmail.

The FSLN struggles for all the nation's unity, but the U.S. mercenaries and political agents are not part of that nation. Our people wish to have a better life, but they want bread with dignity. We want a free homeland, or death. Twenty-five years later, all arms against the agression.

[Signed] FSLN National Directorate

26 June 1986

Protest Note Sent to Shultz

PA270202 Managua International Service in Spanish 0035 GMT 26 Jun 86

[Foreign Ministry communique, issued in Managua on 26 June]

[Text] The Foreign Ministry's Information and Press Directorate states that:

On 25 June 1986 the Nicaraguan Government expressed its firm and strong protest over the approval by the House of Representatives of the U.S. Congress of new funds for the mercenary forces, as requested by President Reagan.

In a note addressed to U.S. Secretary of State George Shultz, acting Foreign Minister Javier Chamorro Mora reaffirmed that this decision again engages the U.S. Congress in a dangerous step, which cannot but lead to the prolongation and rapid deterioration of the Central American conflict, opening the doors to a spiral of violence that threatens to Vietnamize the crisis, affecting the security and stability of Central America, and even of all Latin America. The note added that providing the mercenary forces with new financial and military resources shows the U.S. Government's disdain for the Latin American efforts expressed through the Contadora and Support Groups. That decision clearly expresses a rejection of the proposals made in the Caraballeda message, the Punta del Este communique, and the Panama message issued only a few days ago, which state that no country should give military or logistical support to irregular forces.

The note states that the U.S. Government continues with its policy of using and threatening to use force as a recourse to impose its plans over the Central American peoples.

This policy contradicts the fundamental principles of internal law and the International Court of Justice's ruling of 10 May 1984. As long as the U.S. Government does not give up its arrogant and warmongering policy, it will not be possible to restore peace and confidence in Central America.

In view of these threats, Nicaragua reaffirms its legitimate and irrevocable right to defend itself from the criminal aggression it has been subject to, and ratifies its steadfast commitment with the dignified and just peace desired by the Central American peoples. An expression of this has been its positive and constructive reply to the Contadora Group's proposals made at the last meeting of 13 Latin American foreign ministers.

It is clear that the seriousness of this situation reinforces the Latin American position expressed in the Panama message on the need to create conditions to make the peace process feasible. On this basis, Nicaragua demands the U.S. Government take specific steps and actions that will contribute to create this climate.

The note concludes stating that in this regard, it is imperative and urgent that the U.S. Government stop its attacks against Nicaragua in all its forms, acceed to resume bilateral talks, stop its boycott against the Contadora Group, and act in accordance with international law and the current treaties, which are fundamental prerequisites for the restoration of real peace in Central America.

Managua, 26 June 1986

D'Escoto on Reinforcements

PA262249 Managua International Service in Spanish 2208 GMT 26 Jun 86

[Text] The U.S. Congress decision to continue to finance the Somozist mercenaries worsens the danger of a direct U.S. intervention in Nicaragua. This warning was made today by Foreign Minister Father Miguel D'Escoto to the London TV Station NBC [as heard].

The Nicaraguan diplomat also said that this circumstance forces the country to get military reinforcements to defend its sovereignty. The Nicaraguan Government will accept the aid of any country regardless of where it comes from, because like any other nation, it has the full right to protect the fatherland from any foreign aggresssion.

Ambassador on Military Needs

PA261457 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 26 Jun 86

[Text] Nicaraguan Ambassador to Honduras Danilo Abud Vivas said last night that his country will now turn to any nation of the world to obtain military aid. This was his reaction to the U.S. Congress' approval of $100 million in aid for the Nicaraguan counterrevolutionaries. In a dramatic tone, the Nicaraguan diplomat said that yesterday was a sad day for Latin America. Here are the remarks made by Ambassador Abud Vivas to journalist Jose Ochoa y Martinez last night immediately after learning of the congressional approval of the $100 million in aid for the contras:

[Begin recording] [Abud Vivas] [Words indistinct] a day of mourning for Latin American diplomacy. It is a day of mourning for Latin American solidarity because these new war funds are just a slap against the effort being carried out by eight Latin American countries that have been promoting dialogue and a peaceful solution to the Central American problems. They have also been trying to prevent the continuation of the illegal and immoral policy that the Reagan administration has been implementing against the Nicaraguan Government and people. This brings new tensions to the problems of the region. It turns into a reality what the Colombian foreign minister said once, when he said that if new funds were approved by the U.S. Congress and Administration, it would be a blow that would destroy the Latin American initiative and effort.

[Ochoa] Ambassador, what do you think your government and people will do?

[Abud Vivas] Well, our people will continue to close ranks to guarantee the defense of the revolution. This gives us the full sovereign right to seek armaments anywhere in the world to be ready to face and to defeat this covert war which is now practically a declared war by the Reagan administration against Nicaragua.

The Nicaraguan people are the ones who will give a reply to these millions which through some pitiful mercenaries -- I say pitiful because if it was not for that money they would not be fighting. They are bloodsuckers who are going after the dollars. That is what attracts them and keeps them alive, the same as many sectors in Central America that unfortunately support them and enrich themselves with the blood of the Nicaraguan people. [end recording]

The Nicaraguan ambassador said he is not surprised that the contras have heavy equipment:

[Begin recording] [Abud Vivas] That is why I am not surprised that it was approved that with the last $40 million the CIA can supply heavy weapons to the counterrevolution. I say that I am now surprised because it is no secret that at this time the counterrevolutionaries already have heavy long-range weapons which only regular armies in Central America possess. In other words, they already have long-range artillery. They have airplanes and helicopters. Therefore, this is just a political decision to support a policy that the Reagan administration has already been implementing. In no way does this mean changes or the introduction of new heavy weapons, because they are already held by an irregular group. Unfortunately, they are held by an irregular group that has a military capacity almost equal to the military capacity of, for example, the Honduran Army. Unfortunately, it is also an irregular force that uses territories bordering Nicaragua. It is not eben an irregular force that is inside Nicaragua. It does not control Nicaraguan territory. It cannot say that it is representative of the people.

[Ochoa] Ambassador, when you say that your people and government are willing to wage every battle and seek resources and armaments anywhere in the world to defend yourself from what you call the U.S. aggression, what role do you give to countries such as Libya, Cuba, the Soviet Union, the PRC, Iran, and the members of the Warsaw Pact?

[Abud Vivas] Well, we have diplomatic relations with almost all, if not all the countries of the world. This gives us the right to resort to any country and not only to the members of the Warsaw Pact, but also to the European countries if necessary. It all depends on those countries' willingness to give support to Nicaragua. The Nicaraguan Government and people have the sovereign right to resort to these sources of military resources in order to guarantee the defense of the revolution. [end recording]

INTERNATIONAL COURT RULES AGAINST U.S.

AU270944 Paris AFP in English 0941 GMT 27 Jun 86

[Text] The Hague, June 27 (AFP) -- The International Court of Justice found in favour of Nicaragua here Friday in the dispute between Managua and Washington over U.S. backing of anti-Sandinista rebels. Managua had accused Washington of carrying out military and paramilitary activities on its territory.

The court, by a large majority decided that the United States had violated the obligations imposed on it by international law in training, arming, equipping, financing and supplying the contra (anti-government) forces, and by assisting all other types of activities. Observers said that this will mark only a moral victory for Managua,as Washington has already said it did not recognise the court's jurisdiction in Central American affairs in general and Nicaragua in particular. However, a U.S. embassy representative was present at Friday's session, as was Nicaraguan Foreign Minister Miguel D'Escoto, who was due to fly direct to the United Nations in New York immediately after the judgment was issued.

CAPTURED CUBAN EXILES DISCUSS TRAINING BASES

PA260254 Managua International Service in Spanish 0000 GMT 26 Jun 86

[Text] According to statements in Managua today by Ubaldo Hernandez Perez, a Cuban exile, a farm called La Chalupa in Costa Rican territory and owned by Climaco Salazar is one of the training camps used by counterrevolutionaries. Some of the instructors are also Cuban exiles.

In his statements, the foreign counterrevolutionary said he was not even searched upon entering Costa Rica, where he arrived to join the criminal U.S. aggression against Nicaragua.

In addition, Mario Elpidio Rezaslava, another of the Cuban exiles presented in Managua today, said that Majors Brito and Arevalo and Lieutenant Castellon, among others, are the Salvadoran officials who serve as instructors for the mercenaries to attack Nicaragua. Rezaslava told local and international newspapers that their training base is located at Ilopango, the Salvadoran Air Force base. Rezaslava, a foreign counterrevolutionary, was presented by the Nicaraguan ministry after he was captured by the EPS in a Nicaraguan war zone.

'INDEFINITE CLOSING' OF LA PRENSA ORDERED

PA262340 Paris AFP in Spanish 2323 GMT 26 Jun 86

[Text] Managua, 26 Jun (AFP) -- The Sandinist government this afternoon ordered the "indefinite closing" of LA PRENSA, the only existing opposition newspaper in Nicaragua. This statement was made to AFP by one of LA PRENSA's publishers. Carlos Hollman, director of LA PRENSA, said that the order closing the newspaper was contained in a brief telegram from the Interior Ministry's Communications Media Directorate.

CORRECTION TO ORTEGA STATEMENT ON CONTRA AID

Following correction pertains to the item subheaded "Ortega Statement," published on pages P4-P7 of the 26 June Latin America DAILY REPORT:

Page P5, paragraph two, from line two reads ...ratified today will entail -- as it already entails -- more economic problems, more shortages, more needs, more sacrifices. However, the Nicaraguan ... (supplying indistinct words);

Page P5, paragraph three, from line one reads ...approval of this $110 million to finance the terrorist activities of the mercenary forces against the Nicaraguan people and this financing of an additional $302 million for... (rewording);

Same paragraph, from line six reads ...the future as new escalated actions, or a new military escalation by the U.S. Government against our country, an interventionist escalation which at... (supplying indistinct words, rewording);

Same paragraph, from penultimate line reads ...Vietnamization of the conflict and the intervention of the U.S. troops themselves in our country... (rewording);

Paragraph four, from line one reads ...Around the middle of last year, President Reagan's government was debating whether to approve millions of dollars for financing the mercenary forces under the pretext of humanitarian aid... (rewording);

Some paragraph, from line three reads ...the mercenary forces. In other words, they are approving the terrorist actions against the Nicaraguan people, and this logically encourages the U.S. Government to continue with its escalation against Nicaragua. That is where the risks lie, because we are sure that with $110 million or with $1 billion -- as we have said -- the mercenary forces will not bring about the defeat of the Nicaraguan revolution. They will continue with their terrorist actions. This will demand more sacrifices from the Nicaraguan people, but they will not defeat the Nicaraguan revolution.... (supplying indistinct words, rewording);

Paragraph five, from line one reads ...However, on the other hand, the U.S. Government is demonstrating in the United States that its policy, its warmongering policy, is still in effect. Even though a policy of negotiation has been demanded, the U.S. Government imposes a warmongering policy, maintains a warmongering policy, and it manages to sway the House of Representatives' vote. Today there were 212, 212 [Ortega repeats] representatives who have voted... excuse me, 221, 221 [Ortega repeats] representatives who have voted in... (supplying indistinct words, rewording);

Same paragraph, from line seven reads ...but after all, they have approved it, and they are supporting his terrorist policy. Reagan's policy is dragging the U.S. Congress, dragging it toward the Vietnamization of Central America, dragging it to a military intervention in Nicaragua... (rewording);

Paragraph six, from line one reads ...It distributes $75 million to each government -- to each Central American government, excluding Nicaragua, of course -- for what? To see how it can commit, in other words buy -- literally buy, let us say it, shamelessly and openly, buy -- the governments in order to involve them in its terrorist policy of... (supplying indistinct words, rewording);

Paragraph eight, from line one reads ...Thus, this is a blow against Contadora, it is a very serious blow against Contadora. Every time that Contadora presents constructive proposals and initiatives, the U.S. Government has typically responded with destructive positions. It responds with actions destabilizing the Contadora negotiating process. Now,... (supplying indistinct words, rewording)

Same paragraph, from line three thru page P6, line two reads ...the Central American region that Nicaragua has considered as a valid proposal, a constructive proposal. Nicaragua has accepted this proposal. The United States then decided to insist on its terrorist policy, to request the financing of the mercenary forces... (supplying indistinct words, rewording);

Page P6, paragraph one, from line three thru paragraph two, last line reads ...peace of the Latin American people and of the Central American people who want peace.

In this manner, the U.S. Government is also responding to the orders of the International Court of Justice, which ordered adherence to precautionary measures concerning the U.S. aggressive policy against Nicaragua. The United States rejected that order. Being aware that on 27 June -- that is, 2 days from now -- the Court will issue a ruling, the United States shows contempt for the laws. Just 2 days before the court issues a ruling, the United States decides to approve the financing of the mercenary forces. In other words, the United States decides to approve a terrorist policy that is absolutely contrary to the decision that the court has already issued, even though the ruling will be learned within the next few days... (supplying indistinct words, rewording);

Paragraph three, from line three reads... terrorist policy which means murdering women, children, the Nicaraguan people. by imposing his will over international opinion, over the U.S... (supplying indistinct words, rewording);

Paragraph five, from line four thru paragraph six, line one reads... will not accept the blackmail involved in certain conditions expressed in the U.S. Government's cynical proposal to finance the mercenary forces. According to this proposal, there is supposedly always space for negotiations. The claim that they are even going to allot $2 million... (supplying indistinct words, rewording);

Paragraph six, from line three reads... to attend the negotiating meeting of the Contadora Group. It is a truly cynical proposal. It is cynical. It is a proposal that mocks the Latin American negotiating effort and that of the Central American people... (supplying indistinct words, rewording);

Paragraph seven, from line two reads... intimidated by this terrorist policy today endorsed... (supplying indistinct word);

Paragraph eight, from line one reads... favor of peace, it is true, but we are determined... (supplying indistinct words, changing punctuation);

Page P 7, paragraph one, from line one reads... us with its instruments of terror which are the mercenary forces. Nicaragua is not talking with the U.S. Government's instrument of terror -- the mercenary forces. We are confident... (supplying indistinct words, changing punctuation);

Same paragraph, from line nine thru paragraph two, line three reads... after this U.S. Congressional approval of the financing of the mercenary forces.

We tell the Nicaraguan people that we are not surprised by this. This only unmasks the terrorist policy of the U.S. Government, which supposedly did not involve the approval for the financing of the mercenary forces, but the fact is that the U.S. Government... (supplying indistinct words, rewording);

Paragraph three, from line four reads ...we defeat this terrorist policy. We are certain... (supplying indistinct word, rewording).

CASTRO ON ENTERPRISE MANAGEMENT PROBLEMS

FL260324 Havana Television Service in Spanish 0000 GMT 26 Jun 86

[Statements by President Fidel Castro at 25 June assessment meeting on enterprise management held in Havana's Karl Marx Theater -- recorded]

[Excerpts] [Unidentified reporter] With the presence of Commander in Chief Fidel Castro, first secretary of the Central Committee of the Communit Party of Cuba and president of the Councils of State and Ministers, the assessment meeting on enterprise management has begun in the Havana City Karl Marx Theater.

More than 3,000 representatives and approximately 900 Havana enterprises are involved in this analysis based on the principle defined by Fidel that problems need to be solved with morale, honor, and principles.

The basic topic is the best use of human resources and the social-economic phenomenon resulting from exaggerated salaries without increased production. Each vital statement made is an object of analysis for the chief of the revolution.

[Castro] When a jobless worker is on the payroll [cuando declaran interupto un trabajador], is he paid in accordance to a basic salary or is he paid in accordance with those incredible salaries?

[Unidentified speaker] It is true that the jobless worker is not paid on a basic salary. It is not based on the established...

[Castro, interrupting] It is not based on the average [salary]?

[Speaker] No, it is not based on the average salary.

[Castro] Is it based on accomplishment?

[Speaker] No, not on accomplishment. These are the deficiencies that were detected during the inspection. When the inspection was made in the shipyard, more than 3,000 violations were detected.

[Reporter] Fidel reiterated the essential need for microbrigades. During his last speeches, he expressed his concern over the distortion [desnaturalizacion] this popular mechanism has had on constructing homes.

[Speaker] When a fishing ship was deactivated -- it was purchased by a Caribbean shipping company -- all those jobless workers remained on the enterprise's payroll.

[Castro] How many workers are in this situation?

[Speaker] Approximately 346 workers.

[Castro] If they were in a microbrigade they could at least be building homes.

[Speaker] Commander, What you just said would be possible because they are comrades who could be building their homes and social structures for the population.

[Castro] But not homes for themselves because you did say their homes. That is another distortion of a concept. The homes are for those who most need and deserve them in a work center, which is not the same. [applause]

[Reporter] The slow process of completing economic and social structures, which seems to be interminable, was discussed by Fidel using obvious examples such as the Boyeros electrical industry project which was begun several years ago and whose termination date is still not known.

[Castro] I ask about this construction, not because I want to blame anyone in particular, but because of things that occur that are regrettable and should be corrected. This vice of which we speak developed little by little. It was not like this at one time. At one time, when an enterprise was begun, it was completely finished.

There are planning problems, absurd, ridiculous, crazy concepts. One that I have mentioned several times is a 100,000 peso investment. There were four holes and four columns and they [not further identified] went elsewhere. It is a crazy way to act.

I am precisely...[changes thought] I believe that since we are discussing distinct problems, and there are many, not just these alone, it is not just a salary problem or another kind of problem, but it seems a truly crazy thing to acquire a plant and spend 21 years constructing it. Someone has to be responsible for this crazy act or for the conceptions that are responsible for that craziness and we have to correct this.

There was a time in this country when construction was begun and completed in a reasonable length of time. Now we are in a situation where we begin and do not complete construction. There are many open construction sites for whatever reason. We resign ourselves. We adapt to the calamity of taking 10, 15, 20 years to complete construction. At one time I remember vocational schools were made in 2 years or 1 and 1/2 years. A basic secondary school was begun and some were completed in 4 months while others were completed in 5 or 6 months. The average length of time was 6 months, and hundreds of these types of installations were constructed.

Dams were begun and completed. That is how the (SASA) dam was built. Its wall is 10,000 cubic meters and it was done in a record time of 2 or 3 years. There was a time when we began and finished dams, roads, everything.

On the other had, I asked about the Guantanamo vocational school the other day, and I was told that so much remained. The Guantanamo vocational school has been under construction for seven years. I asked how much more was needed for its completion and I was told so many millions [currency not specified], something like 3 million. I asked how much was budgeted and the response was 500,000. It will take 6 more years to complete. I estimate that it will take 13 years to complete the vocational school that years ago could have been built [in less time].

We must study the causes, origins, and factors that determined all that stupidity, that concept that has prevailed during the past few years. Since it seems to be important and serious, I am bringing attention to it here. I am not trying to blame Comrade Raul Cabrera, who is a new minister in construction, but rather the phenomenon of concepts, of vices that have been established and with which we have become resigned.

This is why I mention this case. It is a very painful example because when the factory is completed, the equipment will be obsolete. This has happened with several things. There is a serious planning problem which is bad, critical.

On the other hand we find enterprises who sell resources. This is another problem that could occur here.

[Reporter] At the end of this report, we received news of the agreement reached by the more than 3,000 delegates attending the analysis meeting on enterprise management at the Karl Marx Theater. It was decided to reestablish microbrigades in the two Havana provinces using the original concept.

Further Castro Remarks

FL261924 Havana Television Service in Spanish 1700 GMT 26 Jun 86

[Text] Today's meeting began with a wide-ranging debate on the original conception of the country's investment process, its necessary planning, and all the aspects ranging from equipment, construction, and assembly, and the training of the workforce so every investment project that is initiated will have a well defined program that concludes with its starting to operate with the required quality.

[Begin first unidentified technician recording] Recently, during this year, an Italian machine was imported to produce two-colored soles to guarantee the quality and the manufacture of cloth sport shoes. From 1985 on it was the job of the party to determine where the machine had entered the country. The plan provided for one-half million pairs of soles for two enterprises, one in the city of Havana and another inland. In short, after we managed to locate the machine, transfer it to the factory, install it, and get the Italian technician, today we still do not have a single pair of shoes with two-color soles. [end recording]

[Begin second unidentified technician recording] When we start to analyze, there are so many problems that can be justified in one way or another. The investment project of Ariguanabo has lasted 17 years, which is a difficult situation...

[Castro, interrupting] How much has yet to be done on the investment?

[Second technician] The investment began with 41 million pesos in 1970, with a view to completing it in 5 years. Then it was reprogrammed...

[Castro, interrupting] There was the problem of the air conditioning, the new equipment, the structures that were put up. And what still has to be done?

[Second technician] The new dry-cleaning plant still has to be built.

[Castro] The what?

[Second technician] The new dry-cleaning plant, which is being built in the rear of the factory, which is still in the beginning phase, and the dry-cleaning machinery has been here since 1970. It was here at the time of Hurricane Freddy, when the factory was flooded, and it got flooded, also. It is being installed now with Soviet assistance.

[Castro] And the machinery still exists despite all those calamities?

[Second technician] Yes, it is all there.

[Castro] When did they begin to build that dry-cleaning plant?

[Second Technician] They have been working on it since 1976, when construction work began, and it has not been finished yet.

[Castro] What brigade is building it?

[Second Technician] Brigade No 36.

[Castro] Is Brigade No 36 here?

[Second Technician] Yes, it is here.

[Castro] Later we will ask them to hear what they have to say.

[Second Technician] Commander, we want to say that this investment began with 45 million in ...

[Castro, interrupting] How much has been invested so far?

[Second Technician] About 73 million, and 60 million have been spent on the installation to date. At the present rate ...

[Castro, interrupting] You have 13 million to spend. How much is budgeted?

[Second Technician] Four million for this year.

[Castro] If 13 were lacking and they have assigned you 3 million, you still have hopes of finishing up in 4 years.

[Second Technician] In 4 or 5 years. But after the money is assigned, the building is 14 percent completed [as heard]. At the present time, with the brigade being assigned to work elsewhere on priority projects, it will take us another 11 years to finish the factory.

[Unidentified party official] I remember that we discussed this in the party provincial committee, not only the textile factory of Ariguanabo but another factory. We agreed on the need to concentrate resources to finish construction projects and put them to use, because we spend 20 years building and get no use from the project. To cite a positive example in construction, I believe that the (Bioterio) is a good example. You yourselves have seen it. The (Bioterio) is a complex project that has been built in sections. There is a part of (Bioterio) that is a center that produces laboratory animals and is functioning. I believe we should build that way, putting into use the parts that are completed. I believe that when we build factories like Spanish 2, in Nueva Paz, where investors, builders, suppliers, the party, everyone joined together and made a great effort and dedicated the resources, a factory was built with the plans and equipment made in Cuba, and a month before it was completed the factory was producing, and it was all done in 15 months. This is an example of efficiency! [applause] [end recording]

Roberto Veiga, Politburo member and secretary general of the Central Organization of Cuba Trade Unions, spoke today on the concept of the integral work brigades as an organization link in the production process.

[Begin Veiga recording] If the norms are not updated and the adjustment made with the brigade is based on old norms, we are giving away money and working in a poor fashion. A good idea can be deformed by all the deficiencies we have. We have been unable to stimulate conservation or quality of work of the integral work brigades. We could say that we pay for conserving and quality but this new type of work organization has not been as influential as we wanted it to be in furthering conservation and quality of work of the integral work brigades. We could say that we pay for conserving and quality but this new type of work organization has not been as influential as we wanted it to be in furthering conservation and quality. Why? Because we do not have consumption norms, and a good job cannot be done in the struggle for conservation without consumption norms.

On the issue of quality control, we do not have quality norms, quality control in all those brigades, which I see as the future of the labor organization in the country. A number of problems need to be solved first. I believe it was wise to be cautious in organizing permanent integral brigades, because if we had jumped into creating them because of the advantages this system offers, now we would have been doing a critical and self-critical analysis of the indiscriminate application of that initiative.

In my opinion, it is a great country but to develop it we have to solve a large number of problems that are directly related to organization, production control, and greater demands. This is my opinion. [applause] [end recording]

Regarding the difficulties and deficiencies in the investment process, our commander in chief said:

[Begin Castro recording] The problem dealing with unfinished projects has a logical explanation. If none of them is planned to be completed, if none of them is completed, more and more projects would hve to be under way because an important, pressing, priority need comes up. It is a matter of planning. This evil has arisen here in the last 10 years. That is truth. Before that, projects were created and completed.

Yesterday I was talking about many old factories -- I gave two examples: [word indistinct] and wrought iron built over there in Guantanamo, and the wheat mill we bought from Poland had been unassembled for a few years and were built in a short period of time. The KTP factory, the other Bulgarian factory of agricultural machinery, a program was conducted to complete all those factories. The practice has been to begin the project and allocate a small amount of money without any intention of completing it.

The examples given by Luis [not further identified], that factory was built because of a number of reasons but a decision was made to complete it in a set period of time by coordinating everything. The (Bioterio) was a project designed to be completed because it had a defined goal. The same thing with the vaccine factory, it is a factory that has to be completed. There were mistakes; mistakes were made that delayed it, but that factory was completed. To complete projects, there must be a will to complete them. If when the annual plan is made and 100,000 pesos are allocated for a project that is supposed to cost 1 million, and then 100,000 and another 100,000 are allocated to others.... [changes thought] they are planned in such a way that they cannot be completed.

Of course there are different kinds of projects. A project such as the nuclear power plant needs a number of years. It has 4 reactors and then the other 2 are planned to be built in 10, 12, 14. [sentence as heard] It is a big project. This is not justified on some projects. Project planning does not include plans for not completing the work such as the one you mentioned, obviously that one has that kind of difficulties. However, there is no will to complete the project.

I belive we have to make efforts on this, and there was a time when we made them. We made them at one time.

What is needed to complete all projects? Earlier, a school was planned and built in a continuous production process and was built in 4, 5, 6 months at the most. They cost 1 million pesos but, if during that time when we built schools en masse throughout the country -- because we did build them en masse -- and up to 100 of those schools were being built in 1 year, up to 100. [sentence as heard] That is how the country was filled with schools, but how were they planned?

One was started and another one was completed. While they were breaking the ground here, they were building there. When they were building there, they were breaking ground over there. When they were building the second one, they were giving the finishing touches there. When they were breaking the ground in the third one, they were building the second, and in that way they were being built in a series, one after the other. With the present idea, if talk about schools and each one costs 1 million [currency not specified], what they do is allocate 100,000 pesos to each school. We will never complete them that way. It is a matter of planning and that evil began here in the past few years, especially during the last 10 years. That is the truth. It is a planning problem, conformism, deceit, and a hoax. I have been insisting on that because I can see it. I already gave you the example about the schools.

All the vocational schools in the country had been built in the old provinces. The only one remaining was the one in the eastern area. After that, the country was divided, and there was no longer a school in every province, other things were built; a secondary school was assigned.

One was going to be built in Holguin and the other in Santiago. The Santiago school was divided in two. Instead of costing 4,500 [currency not specified], it would be 2,500. As I was saying, all those schools used to be built in a certain length of time, 2 or 2 and 1/2 years. The Guantanamo school is the last to be built. It has been under construction for 7 years. It still needs 6 million [currency not specified]. It has the same cancer, the same type of disease. That is why I say it is a matter of concept. There used to be a time when 100 projects were built, whether it was schools or dairies, in one year. They used to be built one after another, so many in Guane, Isle of Youth, Havana, Wajay, Villa Clara, Sola, Contra Meastra, and the schools were made one after the other.

Using the same example, our great strategists would assign 50,000 pesos to each school and take 20 years to build 100 schools. That is why I say it is a problem of concept and, in addition, there is no willingness. That is what I am trying to introduce into the Construction Ministry. A large amount of projects have accumulated.

It took 7 years to construct Frank Pais [orthopedic hospital]. There were meetings there. Camacho [not further identified] would meet there every month. But there is one concept that cannot be assigned. If there is no willingness to finish, it will never to completed.

Now, the brigade that is finishing the genetic engineering center will be done in July. It has already been determined. How much time does it take to finish a hospital? At the pace they were going it would take 21 years. We have to take project by project and see what is happening, in electronics, for example. We need a program of priorities, but prioritization does not mean we resign ourselves to allowing the electronics project to be delayed another 10 or 12 years or that the Ariguanabo project be delayed. We need to make a list of all those projects and one by one determine what we are going to do with them; which will be finished first. We need to put an end to this.

From what I have been told, we have lost construction abilities because of waiting so long. Another concept was created. The projects were not finished, but the plan was completed on paper. That was a statement that used to be heard every year. It was completed on paper, but no projects were finished. On paper they finished projects every year. In addition, since completion was more difficult, the brigades began adapting and because of the computerized economic system [sistema de calculacion economica], they made more money by digging holes and placing the first columns than by finishing projects. Completing a project is more difficult. There are a large amount of problems that need to be corrected, and I have no doubt that we will correct them. We need to revolutionize once again all these concepts and carry out construction as it should be done. [applause] [end recording]

Presides Over 26 June Meeting

FL261528 Havana Radio Reloj Network in Spanish 1402 GMT 26 Jun 86

[Text] At this moment Commander in Chief Fidel Castro, party first secretary, is presiding over the assessment meeting on enterprise management of Havana Provinces being held at Havana's Karl Marx Theater. The meeting, which began yesterday morning is being attended by over 4,800 delegates representing about 900 enterprises as well as by party and state leaders.

Some of the main topics which have been discussed at the meeting are the excessive overfulfillment of norms [as heard] because of lack of supervision, assessment, and requirements as well as violation of forms of payments.

A strong spirit of criticism and self-criticism has prevailed in the remarks made by party, labor, and management leaders, who have analyzed problems aimed at eliminating deficiencies.

HOTEL WORKERS OPT TO FOREGO MATERIAL INCENTIVES

FL251922 Havana Radio Periodico del Aire in Spanish 1600 GMT 25 Jun 86

[Text] In Havana, management councils of 13 hotels of the Turhoteles enterprise have announced they will not accept payment of materal incentives in addition to their salaries in support of Commander in Chief Fidel Castro's 19 April remarks. This was announced during a meeting presided over by Turhotel Director Angel Cisneros, who said Habana Libre Hotel was the first one to implement this measure.

PENA GOMEZ DECRIES SHOOTING INCIDENT

FL261230 Santo Domingo Cadena Brea Pena in Spanish 1130 GMT 26 Jun 86

[Text] Dr Jose Francisco Pena Gomez has asserted that police and military authorities used excessive force at the Central Electoral Board, where a multitude was machine-gunned, causing 5 deaths, more than 20 wounded, and a similar number of injured [as heard].

The president of the Central Electoral Board has described as senseless those who hold the board responsible for the machine-gunning on Monday in which 5 were killed and more than 20 wounded.

Professor Juan Bosch has said that the delay in giving the official election results was not the fault of the Central Electoral Board but of the system and of the general disorder that afflicts the country.

GOVERNMENT TO BOOST PARTICIPATION IN CBI

FL201440 Bonaire Trans World Radio in English 1130 GMT 20 Jun 86

[Text] Vice President-elect Carlos Morales Troncoso said yesterday that his country hopes to boost its participation in U.S. President Reagan's Caribbean Basin Initiative [CBI] program. The Dominican Republic can make products that are no longer being manufactured in the United States, Troncoso said, referring to labor intensive production that it is too expensive to be profitable in the United States.

Troncoso was speaking to officials from 69 Latin American and U.S. cities attending the Great Cities of the Americas Conference at the Caribe Hilton Hotel in Puerto Rico.

BRIEFS

NEW SWEDISH AMBASSADOR -- New Swedish Ambassador Lennart Klackemberg today presented his credentials as Swedish Ambassador to the Dominican Republic. [Summary] [Santo Domingo LISTIN DIARIO in Spanish 12 Jun 86 p 10 FL]

GUYANA'S JACKSON OUTLINES CARICOM AGENDA

FL270038 Bridgetown CANA in English 2317 GMT 26 Jun 86

[Text] Georgetown, Guyana, June 26, CANA -- The Guyana Government is confident that next week's Caribbean Community (Caricom) heads of government conference will moive the 13-year-old regional integration movement forward. Foreign Minister Rashleigh Jackson told CANA that there was a mood of optimism about the July 1-4 summit. At the substantive level, we think it will be an important meeting in terms of assessing where we are against the backdrop of the Nassau Understanding and the Barbados Consensus (declaratins of the last two summits), Jackson said. He said Guyana remained committed to Caricom and had endeavoured to maintain and diversify areas in which trade can take place.

We must remember that there is trade not only at the formal levels, but (that) place at the informal level does not show up in the national accounts, Jackson said. He referred to counter trade arrangements with St Vincent and the Grenadines, cooperation with Barbados on pharmaceuticals, and continuing efforts to supply lumber to Barbados and Trinidad and Tobago. Jackson said that Guyana maintained a cordial and close relation with the Trinidad and Tobago Government, despite the suspension of credit for oil by Port-of-Spain and Georgetown's new arrangements for supply of fuel from Venezuela. The basis for our cooperation with Venezuela was set since February 1985 when the Venezuelan foreign minister visited Guyana.

The Trinidadians have been appreciative of our position, he said. The Guyanese minister referred to the demand by Port-of-Spain last October for cash up front for the purchase of oil which was met through the export of rice and other economic arrangements. He said the problem arose because the Trinidad market became overstocked with rice. Guyana chalked up credit to the tune of TT400 million dollars.

Guyana, according to the foreign minister, is committed to repaying all debts including the just over 60 million U.S. dollars owed under the suspended Caricom multi-lateral clearing facility, the payments mechanism for intra-regional trade. He, however, did not indicate any time frame for repayment.

As regards the 13-point agenda which will occupy the attention of Caricom leaders next week, Jackson said apart from the trade and economic issues, there is widespread concern about drug trafficking. Guyana shares the growing regional concern about drug trafficking and drug abuse. There are three components which we need to look at, the production, transportation, and consumption, he said. The heads of government will consider a preliminary report on this subject commissioned by the Caricom Secretariat.

Another agenda item which is of particular interest to Guyana is of apartheid and sport. The Guyanese administration has maintained a consistent tough stand on sportsmen playing in South Africa. Jackson said the discussions in Georgetown will focus on the United Nations convention on apartheid and sport in terms of getting Caricom members to coordinate signature and ratification of the convention. The Guyanese foreign minister said the question of strengthening the Commonwealth Gleneagles Accord, a consensal document on sporting contacts with South Africa, was likely to generate discussion as well.